

FDIS

DAILY REPORT

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REPORT OF U.S. PRESIDENT REAGAN'S PRESS CONFERENCE

OW230820 Beijing XINHUA in English 0801 GMT 23 May 84

[Text] Washington, May 22 (XINHUA) — U.S. President Ronald Reagan reiterated here today that neither the United States nor the Western world will stand by and see the straits or the Persian Gulf closed to international traffic. Reagan, however, offered no specific plan if the worst does happen. He was speaking at a news conference at the White House this evening at the time when a potential crisis is brewing in the Persian Gulf and U.S.-Soviet relations have come to a lower point after the Soviet announcement to boycott the Summer Olympics to be held in Los Angeles.

Asked under what circumstances the U.S. could become literally involved in the Gulf region, Reagan said his country has not volunteered to enter the region, nor has the U.S. been asked to intervene. He said only 3 percent of the U.S. oil supply is involved in the Persian Gulf, and it is Japan and Western European countries who would really be in trouble if there was any stop to the Middle East oil. Asked what would the U.S. do to help its allies in the event of an oil cut-off, Reagan said, "I'm not prepared to say we've made any specific plans."

Asked whether Reagan's hard-line policies are responsible for the Soviet boycott of the Olympics, the break-off of the arms reduction negotiations, the stepped-up Soviet offensive in Afghanistan and more Soviet missiles off the U.S. coasts, Reagan said: "I don't think I'm responsible for any of those things," adding that "we didn't walk away from the negotiating table. We made every effort to prove that we were ready to be flexible in trying to negotiate a reduction of weapons." For the Olympics, he said the only thing as a government the U.S. did in the Olympics was to ensure the Soviets and meet "virtually every request that they made with regard to their people there."

On the Soviet announcement of an increase in Soviet missile-carrying-submarines off the U.S. shores, Reagan said the Soviet Union has had these submarines carrying nuclear missiles in and out and patrolling there for extended periods of time, "I don't think they pose any particular threat at all," he said.

On the issue of Central America, the President said American vital interests are at stake in the area. He again urged the Congress to provide "the resources for all elements of that policy as outlined in the bipartisan recommendations of the Kissinger Commission." President Reagan's request for an additional emergency military aid of 62 million dollars to El Salvador and his request for 21 million dollars to aid the anti-government forces in Nicaragua face votes in Congress.

Reagan's news conference this evening is seen as an attempt to explain to the public the administration's policies towards these issues which might be a potential threat to him in the presidential election.

U.S. POLICY ON LOANS TO THIRD WORLD REVIEWED

HK221122 Beijing GUOJI WENTI YANJIU in Chinese No 2, 13 Apr 84 pp 34-36, 55

[Article by Zhao Jihua: "U.S. Policy Toward Third World Debt Problems"]

[Text] Since the Cancun meeting, the South-North dialogue has remained in a deadlock because the United States has stubbornly obstructed it.

During the past 1 or 2 years, the question of reforming the existing international economic order has been temporarily suspended, and both the South and the North have been seeking some concrete measures to deal with their imminent and urgent problems. Last year the activities centered on solving the Third World debt crisis became most conspicuous in South-North relations.

According to an estimate by the World Bank, by the end of 1983 debts owed by the Third World had already amounted to \$810 billion (greatly exceeding world military spending in 1982, which was \$600 billion). In the past 2 years the number of Third World countries that failed to repay their debts exceeded the total number of such countries for the previous 25 years. Through intense emergency efforts of various countries and organizations, the explosive debt crisis was temporarily alleviated; however, the main source of the crisis -- the irrational internal economic system -- has not been touched at all. The foreign debts and the total amount of principal and interest owed by the Third World continue to increase, and will lead to a new crisis at any time.

The United States is in a decisive position in dealing with the international debt problems. In handling the Third World debt problems, the United States has always adopted a rigid attitude and has not changed the aim of its fundamental policies. However, because of the pressure brought on by the situation, and in consideration of its own interests, the United States could not help but readjust, to some extent, its concrete actions and adopt a relatively active attitude in alleviating the debt crisis through multilateral efforts.

1. The Position and Role of the United States

The United States may become a net borrowing country, but it is still the biggest lending country in the world. American banks have earned an excessive amount of profit from its foreign loans, the growth rate of these profits has been far greater than of the profits from their domestic loans. The foreign loans provided by U.S. banks totaled \$349 billion by the end of June, 1982. At present more than 40 percent of the loans by international banks to Third World countries have been provided by U.S. banks. Latin America's Mexico, Brazil, and Argentina -- the three highest debtor countries in the world -- owe more than 50 percent of their debts to the United States. During the debt crisis of the past few years, private commercial banks were afraid of risks and provided fewer new loans. This was to a great extent caused by American banks. (In the first 6 months of 1982, U.S. banks provided \$68 billion, but during the same period in 1983, they provided only \$17 billion. This was a drastic decrease.)

U.S. economic policies were, moreover, the major cause of deepening the debt crisis. In addition to stubbornly clinging to the irrational international economic system, at present the U.S. Government is implementing policies of excessive financial deficits, high interest rates, and a high exchange rate for the dollar. These policies directly aggravated the burdens on the debtor countries in the Third World and made it even more difficult for them to extricate themselves from the crisis. A 1 percent increase in interest rates means an additional interest payment of \$6 billion a year for debtor countries. The rate of interest that U.S. banks charge major debtor countries in Latin America is, on the average, 3 percent higher than their prime lending rate. Furthermore, for nearly 1 year, the United States has absorbed nearly \$80 billion in funds from the world through its high interest rate. This has worsened the predicament of the debtor countries, which urgently need new loans, but find it ever more difficult to get them. Moreover, the high exchange rate of U.S. dollars caused by the high interest rate increased the actual value of the debts of the developing countries, which are calculated in U.S. dollars.

Readjusting the policies of the United States plays a vital role in alleviating the debt crisis. In the work of providing "emergency help" to the repayment crisis of the heavy debtor countries in the Third World, the IMF plays an important leading and organizing role. The United States representative to this organization has 21 percent of the votes and actual veto power. During the past few years the IMF could not make ends meet and its funds for loans fell far short of the sum it promised to lend (in terms of U.S. dollars, Japanese yen, and West German marks). In February 1983 the IMF decided to increase its funds by 47.5 percent and to increase the amount of the "loans it provides by general arrangement," of which the quota for the United States was \$8.4 billion -- a high percentage of the total amount. The U.S. Government has already given its consent to this arrangement, but the disputes between various quarters in the U.S. Congress have caused the IMF to suspend this arrangement for a long time, and have caused other loan-providing countries to adopt a wait-and-see attitude. This has aroused great difficulties in the IMF's work to provide emergency aid. Besides, the commercial banks rely on the situation of the IMF providing official loans to decide whether they also will provide new loans to countries heavily in debt. Therefore, whether the U.S. Congress can reach both an internal compromise and a compromise with the U.S. Government became a major issue in 1983 which banking circles throughout the world focused on. If the United States finally refused to increase its loan quota, this meant nothing but giving a vote of confidence to the IMF. As a result, the IMF would be in danger of paralysis and this would have a serious impact on international banking circles.

2. U.S. Policies and the Readjustment of These Policies

The problem related to the debts owed by the Third World countries has always been a major topic of discussion in the South-North talks. Regarding this problem, the basic policies of the United States are as follows:

1. The United States thinks that the major cause of this problem has been due to the inappropriate domestic economic policies in the debtor countries of the Third World. The United States stresses that the debtor countries must carry out a serious readjustment by implementing an anti-inflation policy and regards this as a precondition for international aid. It holds that international financial organizations should examine the economic policies of the debtor countries, help them formulate readjustment measures, and supervise the implementation of these measures, which include a reduction of government expenditure, financial deficit and allowances for prices, encourage private savings and investment, relaxation of trade restrictions, and opening up their markets.
2. The United States opposes the demand of the Third World for a reduction or exemption of repayment of all debts borrowed from governments. Even some West European countries have already reduced or exempted the repayment of the debts that their governments have provided to the poorest countries in the Third World, but the United States has always refused to do this.
3. The United States opposes holding talks with the debtor countries en masse. It also opposes the practice of the debtor countries setting up regional cartels and holds that talks should be held separately with debtor countries to solve the problems one by one.
4. The United States stresses the long-term role of private commercial banks and encourages private capital to play a greater role in providing loans for international development and thus promote the exportation of private capital. It upholds that the loans provided by governments should be used for short-term emergency purposes, thus these loans will serve as a bridge in ensuring the readjustment of the policies of the debtor countries.

These U.S. policies of the Reagan administration on the debt crisis are of a harder line and harsher toward debtor countries than those of the Carter administration. The core of the policies are as follows: First, they exaggerate the problems related to the domestic policies of the debtor countries and almost entirely avoid mentioning the fundamental causes of the crisis -- the practice of the Western countries of shifting the economic crisis by means of an irrational international economic and financial system; and second, by imposing the harsher terms of international financial organizations, the United States interferes in the internal affairs of debtor countries and forces them to adopt a series of measures to decrease control of their governments and open their markets and thus open wider the door for the exportation of American capital and goods. From this we can see that this is a policy of killing two birds with one stone -- the United States wants to safeguard the old international economic order favorable to the West, as well as take advantage of other people's misfortunes to further absorb the vast number of Third World countries into the world capitalist economic system. Obviously, these policies serve the general strategy of the United States on South-North relations.

During the serious debt crisis lasting more than 1 year, the United States has not changed its basic policies and goals mentioned above, but has been forced to readjust its specific methods. This has mainly been shown in its relatively vigorous participation in international efforts to alleviate the international debt crisis. Its actual deeds in this area were: In August 1982, it took the lead in giving "emergency aid" to Mexico, which was in a debt crisis, and alleviated the crisis by providing Mexico with an emergency loan; at the end of 1982, the U.S. Government reversed its former objection and decided to support Western Europe's proposal for multilateral efforts to cope with the debt crisis, agreed to the above-mentioned decision of the IMF on increasing its funds and the amount of loans the IMF provides by general agreement, and promised to add \$8.4 billion to its loan quota (by the end of 1983, the relevant bill was approved by the U.S. Congress and signed by the U.S. President); in September 1983, the United States made some concessions on the problem related to the "amount of its special drawing rights" and enabled the organization to reach a compromise at its annual conference. However, on the other hand, it is noteworthy that the United States continues to insist on a sharp reduction in the supply of additional funds for the International Development Association, part of the World Bank group. This showed that the Reagan administration is still adopting a negative attitude toward the provision of multilateral development aid.

The above-mentioned change in the American attitude has certainly been carried out in consideration of the United States' own interests. The main cause for the change was that the debt crisis of the Third World had already seriously threatened the international financial system and that the further development of this crisis would be extremely detrimental to the monopoly capitalism in the United States and to the entire capitalist world. Moreover, as many big banks in the United States have been involved in providing loans to the Third World, particularly Latin American countries, the delay of repayment of the debts and the possible "bad debts" will have a tremendously shocking effect on these banks. By adopting these measures, the United States in fact has provided emergency aid to large American banks.

3. Fundamental Causes for Its Policies

The U.S. policies on the problem related to the debts of the Third World are closely related to its policy on foreign aid. The fundamental cause for the above-mentioned policies are the guiding thoughts on its foreign aid policy.

Foreign aid is not just an economic issue, but is even more a political and diplomatic issue.

This has always been an important means for the U.S. Government to carry out its imperialist policies and scramble for world hegemony. However, regarding actually providing foreign aid and the focus in doing this, there has always been a difference of views between the major liberal and conservative factions in the U.S. ruling clique. The liberal faction holds that the United States should use the vehicle of "humanitarianism" [ren dao zui yi 0086 6670 0031 5030], provide more foreign aid, and do this through much utilization of the international multinational institutes to achieve greater results in order to expand U.S. influence. Thus the United States will promote, by a long-term, circuitous strategy, its political, economic, and military interests abroad. On the other hand, the conservative faction holds that the United States should provide more selective and less foreign aid and that it should pay more attention to the development of bilateral relations and attach more and various political conditions to providing foreign aid so that U.S. money is used in the areas directly significant to its interests, and thus an immediate effect will be realized.

The conservative faction generally opposes the practice of providing more economic and technological aid to developing countries and believes that there have been poor results from the foreign aid that the United States has provided since the end of World War II, and that this aid not only has failed to help the United States win over friends, but often caused the Third World to adopt an antagonistic attitude toward the United States. Since the beginning of the 1970's, as the national strength of the United States declined, there has continually been a falling trend in the foreign aid provided by the United States. The percentage of the development of aid provided by U.S. Government in the GNP of the United States has been the lowest in Western industrial countries. This shows that the conservative faction's view prevails in the United States.

The Reagan administration is strongly conservative, and compared to the Carter administration, its policy on foreign aid can be summed up as one that looks down on official aid and attaches importance to private aid, looks down on multilateral aid and attaches importance to bilateral aid, and looks down on economic aid and attaches importance to military aid. The Reagan administration thinks that private aid can better promote the development of private capital in countries that receive aid; that bilateral aid enables the United States to choose to aid the countries that are vital to U.S. national interests and that facilitate attaching various kinds of economic, political, and diplomatic conditions to the aid; and that military aid can more directly serve its strategic goal in scrambling for hegemony with the Soviet Union. From this we can see that this kind of policy on foreign aid is obviously more related to its political and military goals and more directly and clearly related to its general strategy in contending with the Soviet Union all over the world and promoting private economy and the so-called "democratic system" all over the world. The recent resignation of the United States from UNESCO reflected the tendency of this policy. Under the guidance of this policy on foreign aid, the Reagan administration's policy on the problem related to the debts of the Third World inevitably has an even more clear political color, namely, it is characterized with interference in the internal affairs of Third World countries and with a vigorous attempt to increase the influence of U.S. monopoly capitalism.

4. Future Trend of Our Policies

We can foresee that the conservative ideological trend will continue to occupy a leading position in the United States if the Reagan administration continues in power. Under these circumstances, the United States will not change the above-mentioned policies on its aid to the Third World and its policy on debt-related affairs.

It will try to utilize the debt crisis to change the direction of development in debtor countries. This is a practice which originated in the inherent expansive and aggressive nature of imperialism. In the field of removing the cause for the debt crisis -- the irrational international economic and financial system -- we still cannot find any trace of an essential change in the attitude of the United States.

However, the debt issue is, after all, different from the ordinary problem of foreign debts. It is more interactive in nature and will more directly involve United States economic interests abroad and the stability of the entire international financial system. If this issue is not properly handled in today's world, where mutual reliance in international economic relations is deepening day by day, the United States will suffer harm. For example, from the beginning of 1982 to the beginning of 1983, U.S. exports to Latin American and African countries with serious debts dropped drastically, by 40 percent, and this aggravated U.S. foreign trade deficits. In addition, its rigid attitude and highhanded measures were denounced by Third World countries and caused it to be isolated and unpopular in the Second World. Moreover, we should not underestimate the role in restricting the government's policy of the "international faction" in the United States, a faction which criticizes the Reagan administration for its practice of dividing Third World countries into two classes, and its international economic policies for shortsightedness and excessive passiveness. Therefore, in the future, when the debt crisis worsens, it will still be possible for the United States to further adopt some measures to alleviate the crisis in order to prevent it from causing too great a shock on the international financial system. For example, it will continue to give play to the leading role of the IMF in providing "emergency aid" to countries in crisis and in supervising the readjustment of policies in these countries. It will better coordinate the relevant activities of the IMF, the World Bank, the international clearing banks, and the central banks and commercial banks of various countries. It will continue to use the foreign exchange stabilization funds of the U.S. Department of Commerce to provide short-term loans for countries in crisis in order to help them maintain liquidity during the period when they are holding talks with the IMF for long-term loans. In the area of international trade, it will adopt some measures that facilitate expanding exports in the United States from countries in debt.

The international debt problem has always been a problem on which the various departments in the U.S. Government argued, and on which the U.S. Government and Congress argued most frequently. The current trend is that the various interest groups in the U.S. Congress are paying close attention to international financial affairs and are strongly demanding that they have a greater role in the making of the government's relevant policy decisions. Therefore, the right of Congress to speak out increases day by day. This has been most prominently shown in the handling of the problem on increasing the money quota of the United States in the IMF. Because of continuous disputes between the two houses of Congress, the relevant bill was not approved until after a more than 1-year delay. In the act approved by Congress, many restrictive clauses were written in, which require the government to report on its work in the IMF and enforce various restrictions on the lending activities of the IMF and commercial banks, including a restriction on loans to communist countries. The bill was passed in the House of Representatives by a slender margin, because many liberal and conservative representatives opposed the practice of increasing U.S. support to the international financial organization. Jointly these two factions formed a fairly strong opposition force. Therefore, in the future, the U.S. policies in the economic and financial fields and on the problem related to debts will continue to be greatly affected by the Congress. Often they will involve many other problems and thus made the process of policy decisionmaking more complicated.

HUANG HUA MEETS WITH AMERICAN VISITORS

OW241301 Beijing XINHUA in English 1225 GMT 24 May 84

[Text] Beijing, May 24 (XINHUA) -- Huang Hua, vice chairman of the Standing Committee of the Chinese National People's Congress, met with a delegation of the China Cultural Society of Texas and Louisiana from the United States led by Mary Neelley, vice president of the society, here this afternoon in the Great Hall of the People.

ZHAO ZIYANG MEETS AMERICAN SCHOLAR 23 MAY

OW231154 Beijing XINHUA in English 1147 GMT 23 May 84

[Text] Beijing, May 23 (XINHUA) -- Chinese Premier Zhao Ziyang this afternoon met with Chang-lin Tien, vice chancellor for research of Berkley campus of the University of California, U.S.A., and his wife. They discussed about reform of scientific research and educational system and training of personnel.

NANCY REAGAN HOSTS YOUNG CHINESE PERFORMERS

OW181311 Beijing XINHUA in English 1251 GMT 18 May 84

["News Feature: Little Ambassadors Forge Great Friendship" -- XINHUA headline]

[Text] Washington, May 17 (XINHUA correspondent Bao Guangren) -- A group of 27 Chinese children -- dancers and musicians -- were invited by U.S. First Lady Nancy Reagan to perform at the White House this afternoon, where 400 women from all over the country viewed their performance. Named "Little Ambassadors of Shanghai," members of the children's performing arts group really have been treated as ambassadors as they convey the good wishes and friendship of the Chinese people to the American people.

"When I was in China, I had the opportunity to see their performance. And now they are here at the White House, so you can see how well these Chinese children can perform," said Nancy Reagan as she stepped into the East Room to watch the performance.

"Marvellous," said one woman watching Ma Junyi, a 12-year-old boy, play the violin. "I have never been to China, and this is the first time for me to watch the performance by Chinese children. They are really brilliant," said another woman.

The White House performance began with a dance called "Peacock Dance of Peace" followed by a number of other items including a violin solo and a piano solo. All of them were well received by the audience.

The children came to the U.S. both to perform and to forge friendship. As Chinese Ambassador to the U.S. Zhang Wenjin wrote in a poem: "Flying over the ocean, little ambassadors bring flowers of art. Across the centuries, young generations establish firm friendship." Early yesterday, the children went to the Sidwell Friends School in Washington, where Chinese language classes were introduced following the death of one of its graduates in his pursuit of Chinese studies. The Chinese children sang and danced together with their new American friends, all of them enjoying the occasion despite the language barrier.

In January, Chinese Premier Zhao Ziyang visited the school and invited all the students in the Chinese language class to visit China. Twenty students and several teachers have accepted the invitation and will go to China next month.

The "Little Ambassadors of Shanghai" is the first children's performing arts group to tour the United States from China. The children, aged 7 to 16, receive after-school training at the Children's Palace in Shanghai which was established 30 years ago by Madame Soong Ching Ling, known fondly as the "Grandmother of China's Children" for her dedication to their welfare. The "Little Ambassadors" will give performance at the Kennedy Center for the Performing Arts in Washington, D.C., one of the best theaters in the U.S. They will also perform at the University of Washington in Seattle before leaving for home at the end of the month.

SINO-U.S. COPRODUCED MINING TRUCKS PASS TEST

OW180812 Beijing XINHUA in English 0737 GMT 18 May 84

[Text] Hohhot, May 18 (XINHUA) -- The first two mining tippers built under a Sino-U.S. cooperation agreement were approved for production yesterday at the No 2 machine-building plant in Inner Mongolia. The heavy-duty trucks can carry 36 tons of goods at speeds of up to 65 kilometers per hour. The 32.5-ton vehicles were built by the China North Industries Corporation and the Terex Company of the United States. According to a contract signed by the two companies, Terex provides designs and key parts for assembly at the No 2 machine-building plant here.

SINO-U.S. RURAL ELECTRIFICATION SEMINAR ENDS

OW190500 Beijing XINHUA in English 1845 GMT 18 May 84

[Text] Kunming, May 18 (XINHUA) -- China's rural small hydroelectric power stations now have a total generating capacity of 8.5 million kilowatts, according to a Sino-American seminar on rural electrification which closed here today. They also provide one-third of the electricity consumed in rural areas, Chinese participants said.

Attending the five-day seminar were 75 Chinese and American managerial staff members, researchers and professors. They discussed 43 papers dealing with the construction and management of rural power grids, the development and utilization of small hydroelectric power stations, solar and wind energy, and power generation from methane gas. After the seminar 33 American participants will visit rural power facilities in Beijing, Shanghai and Xian.

The seminar was sponsored by the rural electrification committee of the Chinese Electrical Engineering Society and the National Rural Electric Cooperative Association of the United States.

XINHUA CRITICIZES PRAVDA VIEW OF PRC-SRV SITUATION

OW250317 Beijing XINHUA in English 0256 GMT 25 May 84

["Commentary: Will Country With Small Population Provoke Military Clash?" -- XINHUA headline]

[Text] Beijing, May 25 (XINHUA correspondent Huang Yuan) -- Since the Chinese border troops launched counter-attacks against Vietnam's armed provocations in April, the Soviet mass media, turning a blind eye to facts, have repeatedly and falsely charged China with "invading Vietnam." On May 20, the Soviet paper PRAVDA accused China of carrying out another "military provocation" against Vietnam. One of the allegations in the recent anti-China propaganda merits attention. TASS asked in its May 4 statement, "Who will believe that a country with a population of 60 million may decide to unleash a military clash with a state whose population is now over a billion people?" This is a trick of confusing right and wrong which intends to cover up the facts.

Moscow's trick can deceive no one. Whether a country dares to carry out external aggression and expansion is not decided by the size and population of the country but the policy it is pursuing in history. Tzarist Russia and other imperialist countries invaded China that had a much bigger population. Hitler's Germany invaded not only countries with smaller population but also the Soviet Union which had a population several times more than Germany's.

[Beijing XINHUA Domestic Service in Chinese at 1310 GMT on 24 May in its version of PRAVDA's views of the PRC-SRV situation at this point adds: "At present, the Soviet Union, a country with a population of 270 million, has invaded Afghanistan, a country with only some 10 million people, while Vietnam, with a population of 60 million, has invaded Kampuchea, a country with only 7 million people; controls Laos, which has only some 3 million people; and has time and again carried out armed provocations against China."]

History shows that countries with small population and dare to carry out aggression and expansion can be divided into two groups: [sentence as received] 1) Those which do so by relying on their own military might, such as Nazi Germany during the Second World War; 2) those -- Israel and Vietnam, for example -- which do so by drawing support from the big powers. The reason for Israel, with a population of only four million, to unleash repeated wars against the Arab countries of about 200 million people is that it has the support of a superpower across the ocean. Meanwhile, with the support of the other superpower, Vietnam blatantly invaded Kampuchea and has carried out armed provocations against Thailand and China. Vietnam itself concealed nothing about this.

[The Beijing XINHUA Domestic Chinese version at this point adds: "In a speech for domestic consumption, a Vietnamese leader triumphantly said: 'Although China has a large population, it is not powerful. Vietnam has gigantic economic and national defense potentials. Particularly with the assistance of the Soviet Union and other socialist nations -- that constitutes an extremely important epoch-making factor -- China will never win.' Did Moscow not say that 'who would believe' Vietnam 'would provoke' a clash with China? Some Hanoi leaders who are dizzy with wild ambitions have 'believed' that Vietnam, which has a population of 60 million people, is able to 'defeat' China, which has a population of 1 billion. It is for this reason that they dare to provoke military clashes against China."]

Facts in the past five years have proved that all the aggression and expansion carried out by Vietnam have been supported by the Soviet Union.

In August 1978, when Vietnam intensified its war of aggression against Kampuchea and stepped up armed provocations along China's borders, the Soviet Union publicly rendered its support to Vietnam and airlifted large quantities of arms including missiles and a large number of military advisers and personnel to Vietnam. Later in November 1978, a friendship and cooperation treaty which is of military nature was signed in Moscow when Vietnam was ready for armed occupation of Kampuchea and for further bloodshed along the Sino-Vietnamese border. Between March and April this year, the Soviet Union once again rushed assistance to Vietnam when the latter started its dry-season offensive in Kampuchea, intruded into Thai territories and intensified armed provocations against China. Furthermore, the Soviet Union staged naval exercises off Vietnam's coast to make a show of force in an attempt to bolster and pep up Vietnam. In mid-May, Vietnamese Defense Minister Van Tien Dung went to Moscow for talks with Soviet military leaders. Foreign news agencies reported that Dung is to ask the Soviets for more military assistance.

It is obvious that one of the main reasons for Vietnam to carry out armed provocations against China which has a much bigger population lies in the support of the Soviet Union. Moscow's argument that a country with a small population will not provoke military clashes is specious. Its intention, however, is clear. It is to absolve Vietnamese authorities from their aggressive actions and encourage them to stick to their policy of aggression and expansion and divert world attention from the fact that Vietnam has carried out armed provocations against China.

BEIJING RUSSIAN ON TASS VIEW OF PRC-SRV CLASHES

OW250043 Beijing in Russian to the USSR 1800 GMT 22 May 84

[Text] [Announcer] Dear Soviet radio listeners:

If you look through recent issues of PRAVDA and other Soviet papers, you will discover that nearly every day they condemn China for so-called military provocations against Vietnam. What is the genuine state of affairs?

Today, in our "International Affairs" program, we will discuss this topic with our radio commentator, Comrade (Hung Bo).

[(Hung Bo)] Before discussing this question, I would like to emphasize that China's border units began repelling the Vietnamese troops because they were compelled to do so, in a situation in which the Vietnamese authorities, ignoring repeated warnings from China, intensified armed provocations against China and encroachments into its territory. According to information during the first quarter of this year alone, armed Vietnamese carried out armed provocations in the border regions of Guangxi and Yunnan more than 140 times. They killed and wounded many peaceful citizens of China and kidnapped four others. Vietnam's armed provocations became even more frequent from the beginning of April. More than 10 of our border dwellers were wounded. In order to defend the lives and property of our border population and to give them an opportunity to carry out spring farming, the Chinese border guards began to repulse the armed provocations of the Vietnamese troops with rifle fire, beginning on 2 April. At the same time, the people's militia of the Chinese border regions repeatedly undertook actions and destroyed several dozen armed Vietnamese who had encroached into China's territory with the aim of carrying out reconnaissance and diversionary activities.

[Announcer] This was deserved retribution dealt out by the Chinese border guards and militia to the Vietnamese provocateurs and aggressors. On 28 April border guard units in Yunnan Province repulsed Vietnamese troops in the Laoshan areas of Malipo County in this province.

They destroyed the encroaching enemy and defended the motherland's territory.

Nonetheless, TASS, in its 4 May report, took this opportunity to launch an attack on China, accusing it of carrying out military provocations of the largest scale against Vietnam, of encroaching on its territory and of seizing a number of heights. The Chinese border guards are clearing the territory of the motherland of encroaching Vietnamese troops, while TASS calls this an incursion into Vietnam. Now is this not outrageous?

[(Hung Bo)] In its statement, TASS distorts the genuine state of affairs. In recent years Vietnamese troops have gradually cut off our territory in the Laoshan area. Disregarding warnings from China and viewing China's patience as a manifestation of weakness, they dug trenches and communication passages there and mined roads and other places. Moreover, they often opened up with rifle and artillery fire against border settlements in this area, expelled long-standing Chinese residents, built strong points, and insolently called Chinese territory Vietnamese. But when patience ran out and China was forced to deal a rebuff, Hanoi raised a hullabaloo to the effect that China had encroached into Vietnamese territory. TASS also joined this hullabaloo. Such is the genuine state of affairs on the China-Vietnam border.

[Announcer] Closing its eyes to facts, TASS permitted itself to ask: Who will believe that a country with a population of 60 million can take the path of initiating a military clash with a state which has a population of more than a billion? What a ludicrous question!

[(Hung Bo)] It should be noted that this naive question is calculated to fool ordinary people in the country and justify the policy of the Soviet authorities in supporting Vietnam in its provocations against China. At first glance, the TASS question looks truthful. In reality, why does little Vietnam need to initiate a military conflict with enormous China? Now the answer to this question should most likely be as follows: Only enormous China can take the path of initiating a military conflict with such a small state as Vietnam. But who will believe TASS and its formulation? Was it not Fascist Germany, with its much smaller population, that in its time attacked the socialist Soviet Union, which has a much larger population? Is it not little Israel that in our day is confronting the enormous Arab world and carrying out expansion and aggression against it? So the question is not one of population size or size of territory, but one of the policy pursued by the state carrying out the provocations.

Here, I would like to note that with this theory, TASS is deceiving only those people who are unfamiliar with the true state of affairs. As everybody knows, when Comrade Ho Chi Minh was alive, relations between China and Vietnam were close. President Ho Chi Minh characterized these relations with the words: China and Vietnam are comrades and brothers. China, as a profound friend of Vietnam, resolutely supported it and to the greatest extent possible, first in its anti-French war and then in the struggle of resistance against U.S. aggression and for salvation of the motherland. But why did relations between them subsequently deteriorate?

[Announcer] This occurred because, after the victory of the Vietnamese people in the war of resistance against U.S. aggression, a hankering for regional hegemony grew in the ruling clique of Vietnam. It strives to realize a plan to create an Indochinese federation, encompassing Vietnam, Kampuchea, and Laos. It has moved large contingents of troops into Democratic Kampuchea, and threatens Thailand.

China opposes the expansionist policy of the Le Duan clique, and therefore has become a thorn in its side.

At first, it began an anti-Chinese campaign, persecuted Chinese immigrants, expelled many of them, and then went as far as armed provocations and encroachments on the border. It was precisely this which forced the Chinese border guards to counterattack in self-defense in 1979. These facts are known to the whole world. Vietnam is carrying out provocations, while China is rebuffing it. This is the correct answer to the question posed by TASS. Incidentally, why does Vietnam dare to carry out armed provocations against China so zealously?

[(Hung Bo)] Because, first of all, the Soviet Union supports it economically and militarily, and secondly, the anti-Chinese campaign is a kind of necessity for the Le Duan clique, insofar as every attack on China gives it an opportunity to ask for charity from the Soviet Union, and also serves as a pretext for justifying the hegemonic policy it pursues in the region.

As far as the Soviet Union is concerned, it supports Vietnam for strategic reasons. It is no longer a secret that, in compensation for Soviet assistance, Vietnam's Cam Ranh Bay has been turned into the largest Soviet naval and Air Force base in Southeast Asia. In a word, both Vietnam and the Soviet Union act for their own mercenary interests on this issue.

[Announcer] Dear Soviet radio listeners. China's rebuff to Vietnam is something it is compelled to do. China sincerely wants to normalize relations with Vietnam, on the basis of the five principles of peaceful coexistence. A few days ago, Zhao Ziyang, premier of the PRC State Council, in his report on the work of the government at the Second Session of the Sixth NPC, dwelling on Sino-Vietnamese relations, once again declared: From Vietnam, which continues to be hostile to China, we nonetheless expect that it will review its anti-Chinese policy, and the policy of aggression against Kampuchea, despite the fact that it is continuing to intensify its aggressive war against Kampuchea, intruding onto the territory of Thailand, and increasing armed provocations on the Sino-Vietnamese border. If Vietnam only pledges to fully withdraw its troops from Kampuchea, announces this and begins to implement it, we will be ready to renew talks, aimed at improving relations between our countries. Dear Soviet listeners. We have had a talk with our radio commentator, Comrade (Hung Bo) on the question of rebuffing the armed provocations and intrusions by Vietnam.

FURTHER REPORTAGE ON KIM IL-SONG'S USSR VISIT

Begins Moscow Talks

OW241856 Beijing XINHUA in English 1839 GMT 24 May 84

[Kim Il-song Holds Talks With Soviet Leaders" -- XINHUA headline]

[Text] Moscow, May 24 (XINHUA) -- Korean state and party delegation headed by Kim Il-song today began talks with Soviet leaders Konstantin Chernenko, Nikolay Tikhonov, Andrey Gromyko, Dmitriy Ustinov and Mikhail Gorbachev.

The situation on the Korean peninsula figured prominently in the talks, said a TASS report. Chernenko expressed the Soviet Union's support for the effort for Korea's peaceful reunification.

Both sides deemed it necessary to hold periodic consultations on wide-ranging international issues.

The two sides exchanged views about the status quo and prospects of the Soviet-Korean relationship and expressed satisfaction at the progress of cooperation in trade, economy, science and technology and the cultural exchanges between the two countries.

Kim, Chernenko Banquet Comparison

Beijing XINHUA in English at 1647 GMT on 24 May transmits a report on the Moscow banquet hosted by Konstantin Chernenko for Kim Il-song. This report has been compared with the version titled, "Kim, Chernenko Attend Banquet," published on page C 1 of the 24 May China DAILY REPORT, revealing the following addition:

Paragraph two, after last sentence add... the Korean problem. But he made no mention of how to remove the obstacles to the normalization of Sino-Soviet relations. Instead, he insisted that such normalization should not be "at the expense of third countries." He said the Soviet Union "fully approves" the Vietnamese conduct in the Southeast Asian region.

(New paragraph) On relations with ...

WOMEN'S VOLLEYBALL TEAM LEAVES FOR USSR

OW250718 Beijing XINHUA in English 0709 GMT 25 May 84

[Text] Beijing, May 25 (XINHUA) -- The Chinese National Women's Volleyball Team left here this morning for the Soviet Union to take part in the four-nation volleyball tournament from May 28 to June 3 in the cities of Leningrad and Riga. The Chinese team will compete with national squads from Japan, the United States and the Soviet Union in double-round tournament. The Chinese team, coached by Yuan Weimin and Deng Ruozeng, includes 12 players of Lang Ping, Liang Yan, Zhu Ling, Su Huijuan, Yang Xilan, Yin Qin, Jiang Ying, Li Yanjun, Yang Xiaojun, Zheng Meizhu, Zhang Rongfang and Hou Yuzhu.

CHINESE MUSICIANS ATTEND MOSCOW FESTIVAL

OW250733 Beijing XINHUA in English 0714 GMT 25 May 84

[Text] Moscow, May 24 (XINHUA) -- The second international music festival ended here this evening after 24 performances of 120 musical works by contemporary musicians of over 50 countries. Musicians from 58 countries including two from China attended the festival which began on May 15. The first festival was held here in May 1981 and it has been decided that the festival will be held every four years. Among the highlights of the performances by Musicians from Moscow, Leningrad, Ukraine, Latvia and Lithuania are masterpieces by Soviet composers including D. Kabalevski, R. Shchedrin and T. Khrennikov and by Chinese Composer Zhu Jianer.

SPRING FARMING AFFECTED BY SRV 'HARASSMENT'

HK230710 Beijing ZHONGGUO XINWEN SHE in Chinese 0242 GMT 23 May 84

[Text] Nanning, 22 May (ZHONGGUO XINWEN SHE) -- The spring farming season is over. However, due to uninterrupted harassment by the Vietnamese Army, spring farming could not be carried out in 6,568 mu of land in Guangxi's border areas.

Since this spring, the Vietnamese Army has accelerated incursions in China's border areas and repeatedly shot at Chinese peasants working in the fields. Moreover, it has sent out special contingents to sneak into our country to lay mines in the fields and on the roads and to kidnap Chinese peasants who are working in the fields. As a result, some fields in Guangxi's border areas have remained uncultivated, more than 92,700 mu of spring crops in seven counties have not been taken care of due to the harassment by Vietnamese troops, and some 1,141 mu of early rice and corn have been destroyed by Vietnamese artillery fire.

This reporter learned from the Guangxi frontier that the houses and schools of the Chinese residents have now become the main targets of Vietnamese bombardments. The peasants engaging in spring farm work have often been shot by the Vietnamese Army using machine guns and artillery. Some 421 schools have been destroyed by Vietnamese artillery fire and more than 42,200 students have been forced to cease their studies.

The Guangxi frontier guards have launched brave counterattacks against the Vietnamese incursions. They sent soldiers to sweep for mines and unexploded shells to protect the peasants in their spring farming work. The Guangxi Regional People's Government has also allotted 5,200 tons of additional chemical fertilizer to help the peasants resume production. As for the people in border areas who have difficulties due to harassment by Vietnamese troops, the government has also allotted special funds and materials to help them.

WOMEN'S GROUP HOSTS DINNER FOR THAI GUESTS

OW231308 Beijing XINHUA in English 1248 GMT 23 May 84

[Text] Beijing, May 23 (XINHUA) -- Lei Jieqiong, vice-president of the All-China Women's Federation, hosted a dinner here today for the Thailand (study) group of children's work led by Dr Chalot Thiraphat. The Thailand group arrived here yesterday at the invitation of the All-China Women's Federation.

MALAYSIAN FOREIGN MINISTER TO VISIT PRC

OW231034 Beijing XINHUA in English 0848 GMT 23 May 84

[Text] Beijing, May 23 (XINHUA) -- Malaysian Foreign Minister Ghazali bin Shafie will pay a goodwill visit to China from May 29 to June 5 at the invitation of Chinese Foreign Minister Wu Xueqian. This was disclosed by a spokesman of the Chinese Ministry of Foreign Affairs here this afternoon at the weekly news briefing. This is Foreign Minister Ghazali's first official visit to China and it is a return visit by the Malaysian foreign minister to his counterpart Wu Xueqian's visit to Malaysia last February. Ghazali's visit to China coincides with the tenth anniversary of the establishment of diplomatic relations between China and Malaysia.

Beside holding talks with the Chinese foreign minister on the international situation and issues of common concern, he will meet with Chinese leaders and attend the celebrations on the tenth anniversary of the establishment of diplomatic relations between the two countries. Accompany Foreign Minister Ghazali on the visit will be some well-known personages in the economic circles of Malaysia. They will hold discussions with Chinese departments concerned on economic cooperation and technical exchanges between the two countries.

The spokesman said that it is expected the China visit of the Malaysian foreign minister would play a positive role in enhancing the mutual understanding between China and Malaysia and in further developing the friendly relations between the two countries.

PRC PARTICIPATES IN AUSTRALIAN ARMS EXHIBITION

BK151310 Sydney THE AUSTRALIAN in English 2 May 84 p 3

[By John Spiers]

[Text] China will launch a drive to become an international armaments supplier to the Third World at an exhibition in Canberra next week -- as well as seeking co-operation with Australian manufacturers of defence equipment. A team of 29 Chinese technicians, engineers and interpreters attending the Ausdes defence and security exhibition, which opens in Canberra on Tuesday, will later visit Australian companies in the weaponry, electronics, aerospace, machinery and shipbuilding fields. During almost two weeks visiting defence manufacturers, they will describe Chinese technological achievements and discuss possible technology exchanges and joint ventures in a number of areas.

China's prominent participation in the privately organised exhibition has been something of an embarrassment to the Australian Government which is very sensitive about becoming involved in arms dealing -- particularly with the Third World. China has taken the largest display space at the exhibition and will try to interest international buyers in a wide range of military equipment ranging from ship-to-sea missiles and radar equipment to radios and military vehicles.

According to some Chinese reports, this is the first time for more than 30 years that China has become involved in such an exhibition. China's contribution is being organised by China New Era Joint Exhibitions, which is inviting foreign industries to discuss co-operating. The leader of the Chinese group, Mr Ye Zhenhua, of the Xinshidai Company, said China "fervently hopes to establish and develop economic and trade relationships with military and technological circles of various countries."

While the government is keen to see Australia's balance of trade with China improved, defence officials are concerned that China's participation in the exhibition may be taken as a sign that the Australian Government wants to become increasingly involved in the politically sensitive area of arms trading. Australian manufacturers may be wary of discussing their products with the Chinese in too much detail as there have been allegations in the past that China has pirated Australian designs.

Some sources within the government-owned Government Aircraft Factories in Melbourne still believe, despite vociferous Chinese denials, that the Nomad aircraft design, once considered for licensed production in China, was stolen by the Chinese, who produced an almost-look-alike version.

FURTHER ON MARKOVIC-LED SFRY GROUP'S PRC VISIT

Hu Yaobang Hosts Banquet

OW231715 Beijing XINHUA in English 1652 GMT 23 May 84

[Text] Shenzhen, May 23 (XINHUA) -- Chinese Communist Party General Secretary Hu Yaobang gave a farewell banquet here this evening to the delegation of the League of Communists of Yugoslavia headed by Dragoslav Markovic, president of the Presidency of the league's Central Committee.

[Beijing XINHUA Domestic Service in Chinese at 1716 GMT on 23 May in its version of the Shenzhen banquet hosted by Hu Yaobang at this point adds: "At the banquet which proceeded in a very cordial and friendly atmosphere, Comrade Hu Yaobang toasted the LCY delegation and warmly congratulated it on its completely successful visit to China. He said: I visited Yugoslavia last year. Before my departure from your country, Comrade Ljubicic gave me a farewell dinner on Brioni Island in the Adriatic."]

Hu Yaobang toasted the delegation's successful visit. "Last year I said in Yugoslavia that the friendship of the Yugoslav League of Communists and people towards the Chinese Communist Party and people was deeper than the Adriatic Sea," he said, "Now I would like to say that the friendship of the Chinese party and people for the Yugoslav league and people is deeper than the South China Sea."

Hu Yaobang said that the visit by the Yugoslav delegation had set a "new milestone" in the development of the relations between the two parties and countries. It indicated a more intimate political friendship and guaranteed an expanded economic cooperation. Hu Yaobang asked Markovic to convey the best wishes from the Chinese Communist Party and people to the leaders of the Yugoslav party and people. He also said that he would like to have the opportunity to meet other Yugoslav leaders in Beijing.

Markovic said in his toast that the warm welcome they had received during the visit fully reflected the profound friendship between the two parties, countries and peoples: "We have had common experience and are now fighting for a common task." Markovic said his visit promoted the friendship and relations between Yugoslavia and China. Such friendship was conducive not only to both countries and parties, but also to the progress and peace of the world, as well as to the development of world economic cooperation, he said. Markovic spoke of concern for China's building of socialism with Chinese characteristics. "I have seen here your historic progress in carrying out the principles and policies of the Chinese Communist Party and wish you greater successes," he said.

Present at the banquet were Ren Zhongyi, first secretary, and Liang Lingguang, secretary, of the Guangdong provincial party committee, and Liang Xiang, secretary of the Shenzhen municipal party committee.

President Markovic and his party left for Guangzhou after the banquet. Hu Yaobang saw them off at Shenzhen railway station with a warm handshake and embrace.

The guests had a trip to the Shekou industrial area of Shenzhen earlier today. They also walked into a fisherman's home in a new village built for fishermen.

The Yugoslav delegation arrived here this morning accompanied by Hu Yaobang and Ren Zhongyi. They will leave Guangzhou for home via Shanghai tomorrow morning.

Departs Guangzhou for Home

OW240640 Beijing XINHUA in English 0631 GMT 24 May 84

[Text] Guangzhou, May 24 (XINHUA) -- The delegation of the League of Communists of Yugoslavia headed by Dragoslav Markovic, president of the Presidency of the league's Central Committee, wound up its official friendship visit to China and left here for home via Shanghai by special plane this morning. There were given a warm send-off at the airport by Ren Zhongyi, first secretary of the Guangdong provincial party committee; Yang Yingbin, Standing Committee member of the provincial party committee; Zhu Senlin, deputy secretary of the Guangzhou city party committee; and more than 500 children.

Markovic on Visit

OW241103 Beijing XINHUA in English 1043 GMT 24 May 84

[Text] Guangzhou, May 24 (XINHUA) -- Dragoslav Markovic, president of the Presidency of the League of Communists of Yugoslavia, told XINHUA in an interview here today that his visit to China was a success. He said this before he and the delegation headed by him left here for home this morning at the end of their official friendship visit to China. Markovic said that while in China, the delegation held friendly talks with Chinese leaders on a wide range of questions. They also exchanged views on the promotion of bilateral relations. The two sides hoped for a rapid expansion of economic cooperation between China and Yugoslavia. He said during the talks he found that his delegation and Chinese leaders shared similar views on major international issues. The two sides held that the movement and policy of non-alignment had played an important role and was of great significance in handling international issues, he added.

His delegation also exchanged views with Chinese leaders on the world communist movement, workers' movement and progressive movement, Markovic said. He said that the parties of various countries had the right to independently formulate their own policies and strategies and tactics in line of their conditions. All the progressive political parties and movements the world over should enter into equal cooperation and should not impose their own positions and views on others, he pointed out.

The Yugoslav communist leader said that China had embarked on an important stage of development of socialism. Under the leadership of the Chinese Communist Party, he said, the Chinese people had in recent years scored great achievements in their construction materially and culturally and in social development and improving their living standards. Markovic said he was rejoiced at the successes. In conclusion, he said that like General Secretary Hu Yaobang's visit to Yugoslavia, his delegation's China visit had helped expand relations between the League of Communists of Yugoslavia and the Chinese Communist Party.

SFRY Paper on Visit

OW240920 Beijing XINHUA in English 0910 GMT 24 May 84

[Text] Belgrade, May 24 (XINHUA) -- The China visit by President of the Yugoslav Communist League (LCY) Presidium Dragoslav Markovic has boosted the Chinese-Yugoslav relations to a new high politically, the Yugoslav newspaper POLITIKA said today. The Chinese and Yugoslav communists have expressed views closest ever on international issues and the communist movements, the Serbian LCY newspaper said in a commentary on the talks between Chinese leaders and Markovic who ended his six-day China visit today. This is a demonstration of not only their agreement on political strategies but also agreement or similar positions on general principles, said the commentary entitled "The Independence and Internationalism of a Party."

The newspaper believed that such agreement is important for mutual support among progressive parties for socialism and for human progress in general. Veteran Chinese party leader Deng Xiaoping told Markovic that genuine Marxists should work out their policies based on their domestic realities and should respect the realities of other parties and countries, the newspaper said. This and the independent policy worked out at the 12th Chinese Communist Party National Congress in 1982 are the principles the Yugoslav communists cherish very much, the paper said. The Chinese communists have since established, resumed or expanded relations with other communist and workers' parties and progressive political bodies, admitting its inadequate world communications in the past as a result of an "inadequate" knowledge of communist movements, the POLITIKA said. The Chinese communists have demonstrated a good quality unprecedented in communist movements: To admit mistakes before communists of other countries and genuinely seek to overcome them, the newspaper said. What they did won respect because only a party that is confident of its strength has the courage to openly admit its mistakes, the newspaper concluded.

CHEN PIXIAN MEETS ROMANIAN GOVERNMENT DELEGATION

OW231002 Beijing XINHUA in English 0713 GMT 23 May 84

[Text] Beijing, May 23 (XINHUA) -- Chen Pixian, member of the Secretariat of the Chinese Communist Party Central Committee and vice-chairman of the National People's Congress Standing Committee, this morning met and had a cordial conversation with a delegation from the Romanian Ministry of Internal Affairs. The delegation is led by George Homostean, member of the Central Committee of the Romanian Communist Party and minister of internal affairs.

Present on the occasion were Liu Fuzhi, Chinese minister of public security, and Angelo Miculescu, Romanian ambassador to China. The Romanian guests arrived here May 21 on a friendship visit to China at the invitation of the Ministry of Public Security.

INTENSIFICATION OF IRAN-IRAQ WAR VIEWED

'Dramatic Worsening'

HK240840 Beijing RFNMIN RIBAO in Chinese 24 May 84 p 6

[Commentary by Zhu Mengkui: "The Daily Deteriorating Gulf Situation"]

[Text] In recent days, in the wake of the intensification of the Iran-Iraq war, merchant ships and tankers of a number of countries have come under attack in the Gulf. According to statistics, six ships have been attacked in 1 week. The Strait of Hormuz, for so long free and unobstructed, has now become a dangerous waterway. The dramatic worsening of the Gulf situation has caused grave disquiet among the coastal states and other countries and increased people's worries about great power interference in the Gulf.

The expansion and escalation of the protracted Iran-Iraq war is the main cause of the dramatic deterioration in the Gulf situation. At present, both sides are making great efforts to strangle each other's economic lifelines through military action so as to gain the advantage of the battlefield. Since Iran basically recovered its lost territory in July 1982, the main theater of the war has started to shift into Iraq. Having opened up three fronts last year at Basra in the south, Mandali in the center, and Rawanduz in the north, Iran launched "Operation Kaibar" at the beginning of this year in which it occupied Iraq's rich oil-producing area at Majnun Island. The savage war has caused serious casualties and economic losses to the two antagonists. At present, Iraqi oil exports are less than one-quarter the prewar level and there has been a big drop in its foreign exchange income. With the mediation efforts of many countries and international organizations making little headway, Iraq is progressively attacking Iranian marine targets and oil installations in the hope of making a breakthrough in the war deadlock. In the past few months, Iraq has stopped up its blockade of Iranian seaborne oil exports. It has launched many attacks on Khark Island, Iran's oil export center.

According to the latest reports, there has been a great drop in the number of ships using Khark in recent months, with the result that Iran's oil exports have fallen by about 50 percent. In view of this the Iranian Foreign Ministry issued a statement on 17 May saying that any threat to Iran's navigational safety in the Gulf would be a threat to all navigation routes in the Gulf. The Iranian parliament speaker Rafsanjani said on 19 May, when speaking on the safety of navigation in the Gulf, that "if Iran's oil passage is not safe, there can be no guarantee of safety for any oil passage in the Persian Gulf," and "extremely great developments might occur" in the Gulf region, "with unforeseeable consequences." He also warned Arab countries in the Gulf which are shipping Iraqi oil "not to get directly involved in the Gulf war." In this dagger-drawn situation, the danger of expansion of the Iran-Iraq war is now swiftly growing.

The spread of the conflict to the waters of the Gulf is a direct calamity for the security and interests of the Gulf states. The recent attacks on two Kuwaiti and three Saudi tankers aroused a strong reaction among the Gulf states. The foreign ministers of six Gulf states held a special conference on 17 May which looked into the attacks on the tankers. On 21 May, representatives of the six states wrote a joint letter to the UN Security Council demanding that it convene an emergency meeting to discuss the present grave situation in the Gulf. On 19 May, the council of ministers of the Arab League held an emergency meeting to discuss the Gulf situation and consider possible joint action to deal with the crisis there. At the same time, Gulf states such as Saudi Arabia and Kuwait have stepped up their air defense preparations to be ready for any surprise attack and defend their oilfields and installations.

The tumult in the Gulf has aroused great alarm among those Western countries that mainly depend on oil imports from the Gulf. According to reports, 20 percent of the oil requirements of the Western world are shipped from this region. Japan gets 65 percent of its oil from the Gulf. The United States, Britain, France and other countries are on the one hand making diplomatic efforts to prevent the situation from growing, while on the other hand they are currently planning joint action to be ready when necessary to intervene in the Gulf with armed force. The United States has announced on many occasions that it "is obligated to defend Western interests in the Gulf," and is willing to provide "air protection" for the Gulf states' oil tankers. While condemning U.S. interference in Gulf affairs, the Soviet Union has also sent naval forces to the area. The intensifications of superpower rivalry in the Gulf region has made the already tense situation still more explosive. All peace-loving countries and peoples are closely watching developments in the Gulf. They demand a stop to the escalation of the Iran-Iraq war and to the further deterioration of the situation in the Gulf.

XINHUA: 'Explosive' Events

OW230821 Beijing XINHUA Domestic Service in Chinese 1812 GMT 21 May 84

[Commentary by XINHUA reporter Xu Boyuan: "Situation Worsening in the Gulf"]

[Text] Beijing, 21 May (XINHUA) -- In the past few days, oil tankers plying the Gulf have come under missile attack one after another and oil passage through the Gulf, the main artery of oil supply for the West, has been seriously blocked. This has caused strong repercussions in the world.

It is reported that after two Kuwaiti tankers fell victim to attacks on 13 and 14 May, a 210,000-ton Saudi Arabian supertanker was also hit on 16 May. Within a short 1-week span, eight tankers and cargo ships have been attacked. Because of these incidents, other vessels still in the Gulf have been vying to get out of it while those sailing toward the Gulf have chosen to drop anchor in the Gulf of Oman, outside of the Strait of Hormuz. A London report says that oil tanker chartering for Gulf runs has all but come to a halt and insurance premiums for ships and cargoes sailing through the Gulf have doubled or tripled. Western observers are worried that the obstruction of Gulf oil shipments will cause a shortage in oil supplies on the world market.

The development of the Gulf situation is closely linked to the war between Iraq and Iran. As early as 15 August 1982, Iraqi President Saddam Husayn designated the waters around Iran's Khark Island a "war zone" and declared that Iraq would attack any vessel entering into the area. Khark Island is Iran's largest port for oil export, handling 90 percent of Iran's oil exports, while Iran relies almost entirely on oil exports for its revenue. Observers see Iraq's announcement of its decision to take such action as an attempt to weaken Iran's economy by blockading Khark Island and to force Iran to talk peace. However, in the more than 1 year since it announced the decision, Iraq actually never fully carried out the blockade. In March of this year, Iran launched a large-scale land offensive against Iraq and occupied Iraq's oil-rich Majnum Island. There are reports that Iran is now again assembling several hundred thousands of troops on the southern front in preparation for another offensive on a still larger scale. In view of these circumstances, Iraq is gradually tightening its blockade against Khark Island in an effort to contain Iran's land operations. Since February of this year, Iraq has attacked nearly 20 oil tankers in the area it had designated a war zone.

Iraq's military operations have seriously affected Iran's oil exports, which has dropped by nearly half, or about 800,000 barrels in daily export. Iran has consistently made it known that it will seal off the Strait of Hormuz, which is the entrance to the Gulf, if its oil export is made impossible by Iraq.

The Iranian Foreign Ministry said in a statement on 18 May that "if Iran's oil passage becomes unsafe, we will see to it that there will be no safety guarantee for any oil tanker leaving the Gulf for other areas of the world." In the opinion of observers, however, it will not be easy for Iran to seal off the strait on the strength of its current naval and air power. Consequently, Iran has begun to attack oil tankers sailing in the Gulf. With no vessel from any country daring to enter the Gulf for fear of being attacked, the blockade of the Strait of Hormuz will be in effect just the same.

But the worsening of the Gulf situation does not end here. Iraq's First Deputy Premier Ramadan said on 20 May that Iraq plans to step up its blockade of the various Iranian ports in the next 3 months. According to Iranian National Assembly Speaker Rafsanjani, Iran will take action in several steps, culminating in the blockade of the Strait of Hormuz. There are reports that Iran has already intensified its preparations in this respect. Rafsanjani also said that the Gulf area may witness "the development of an extremely important situation whose consequences cannot be predicted."

The worsening Gulf situation has aroused deep concern among the various quarters concerned. The Western world depends on this area for 20 percent of its crude oil needs. Every day about 6.6 million barrels of crude oil is shipped through the Gulf. Of this total, 2.3 million barrels are headed for West Europe and 2 million barrels are destined for Japan, Australia and New Zealand. Sixty-five percent of the oil needed by Japan comes from the Gulf. At present, consumer countries still have sizable reserves on hand while oil-producing countries outside of the Gulf area have the potential to increase their production. However, if oil export from the Gulf comes to a complete halt and this situation lasts for some length of time, operation of the Western economy will be seriously affected.

However, the first to be affected will be the Arab nations on the western coast of the Gulf. On 16 May the six members of the Gulf Cooperation Committee held an emergency meeting to discuss countermeasures. On 19 May the Arab League called a foreign ministerial meeting in Tunis to discuss the development of the situation in the Gulf. According to reports, Saudi Arabia and Kuwait have beefed up their air defense to stop further attacks on ships in Arab waters in the Gulf.

Currently people are paying special attention to the superpowers' movements. The U.S. 7th Fleet has been cruising outside the Gulf and one of its detachments has already entered the Gulf. The United States has expressed its willingness to provide air shelter to the Gulf Arab nations. It has also indicated on many occasions that it wants to "protect" Western interests in the Gulf. The Soviet Union has, on the one hand, condemned the United States for stepping up military operations to interfere in Gulf affairs under the pretext of the worsening of the situation in the area and, on the other hand, dispatched its own fleet to the Gulf area. The British and French fleets are also moving in the vicinity of the Gulf area. People are worried that the continued worsening of the situation in the Gulf will aggravate the danger of the superpowers' interference and make the situation in the Middle East become more explosive.

SHEN PING EXPLAINS PRC STAND ON NAMIBIA

OW221816 Beijing XINHUA in English 1537 GMT 22 May 84

[Text] Bangkok, May 22 (XINHUA) -- The United Nations Council for Namibia today continued its extraordinary session here, with several representatives of the 31 member countries expounding their countries' views on the issue.

Explaining China's position, Shen Ping, ambassador to Thailand, pointed out that the independence of Namibia is now the most urgent question in southern Africa and one that calls for an immediate solution. However, because of the South African authorities' policy of apartheid, their illegal occupation of Namibia and aggression against other countries, the Namibian question has remained unsolved. Apartheid and expansionism, he said, have seriously jeopardized peace and stability in southern Africa and constitute a threat to world peace.

He urged the United States to change its position of supporting the expansionist policies of South Africa and to discharge its duties by urging the South African authorities to withdraw all their troops from Angola and respect the Security Council resolution on Namibia. The Chinese Government and people, he declared, steadfastly support the Namibian people in their struggle for national liberation and independence and will continue to render political and diplomatic support as well as material assistance to the South West Africa Peoples' Organization (SWAPO). China also supports the African frontline states in their struggle to safeguard their state sovereignty and territorial integrity, he said.

Elisio de Figueiredo, representative of Angola, noted that the international community has increased aid and assistance to the Namibian people. He said that the Government and people of Angola support SWAPO and have made sacrifices for it. The representatives of Algeria, Yugoslavia, Indonesia, Finland, Belgium, Pakistan and Venezuela also spoke at the meeting, demanding that the South African authorities respect and implement the United Nations Security Council Resolution 435 and calling for immediate independence for Namibia.

LI PENG TOUR, TALKS IN AFRICA REPORTED

Banquet in Tunis

OW231056 Beijing XINHUA in English 0852 GMT 23 May 84

[Text] Tunis, May 22 (XINHUA) -- Chinese Vice Premier Li Peng gave a reciprocal banquet in the Chinese Embassy here this evening. Present at the banquet from the Tunisian side were Prime Minister Mohamed Mzali, president of the National Assembly Mahmoud Messadi and special counselor to the Tunisian president Habib Bourguiba Jr as well as other high-ranking officials.

Speaking at the banquet, Li Peng, head of a Chinese Government delegation, expressed his satisfaction at the fruitful visit paid by the delegation to Tunisia. He said: "We have seen for ourselves in the past few days what great achievements have been attained by the Tunisian people under the leadership of President Habib Bourguiba and how friendly the Tunisian people are towards the people of China." He expressed the hope that the Sino-Tunisian friendly relations and cooperation would further develop through joint efforts of the two peoples.

Mzali said, "Vice Premier Li Peng's visit here has created a favorable atmosphere for further strengthening the existing profound friendship between our two countries which would no doubt continue to develop. And our cooperation will be expanded in various forms." Chinese Vice Foreign Minister Wen Yezhan, Vice Minister of Foreign Economic Relations and Trade Lu Xuejian and Chinese Ambassador to Tunisia Xie Bangding were also present on the occasion.

Departure for Sudan

OW241117 Beijing XINHUA in English 0911 GMT 24 May 84

[Text] Tunis, May 23 (XINHUA) -- Chinese Vice Premier Li Peng and his party left here this evening for Sudan at the end of their five-day official visit to Tunisia.

At the airport, Tunisian Prime Minister Mohamed Mzali handed over to Li Peng four gold coins with Bourguiba's image on them, emphasizing they are a present from President Habib Bourguiba. Answering a question about the prospects of Sino-Tunisian cooperation, Li said, "China and Tunisia enjoy excellent relations. We have cooperated well and constructed the Mejerda-Cap Bon Canal through our joint efforts. We are convinced that we have broad prospects in our future cooperation which will be expanded in various forms on the basis of mutual benefit."

He told XINHUA correspondents that the Chinese Government delegation's visit is very successful. It has promoted mutual understanding and friendship between the leaders of the two countries. He asked Tunisian and Chinese correspondents to convey his sincere thanks to the Government and the people of Tunisia for their warm hospitality to the delegation.

Arrival in Khartoum

OW240841 Beijing XINHUA in English 0749 GMT 24 May 84

[Text] Khartoum, May 24 (XINHUA) -- Chinese Vice Premier Li Peng arrived here today for a four-day official visit.

Li, who is heading a Chinese Government delegation on a European and African tour, was welcomed at the airport by Sudanese First Vice President 'Umar Muhammad at-Tayyib, Speaker of the National People's Assembly Izzad-Din as-Sayyid and foreign minister Hashim 'Uthman. The Chinese delegation flew here after a six-day visit to Tunisia where Li attended an inauguration ceremony of the China-aided Mejerda-Cap Bon Canal project.

Meeting With Numayri

OW241953 Beijing XINHUA in English 1933 GMT 24 May 84

[Text] Khartoum, May 24 (XINHUA) -- Sudanese President Ja'far Muhammad Numayri met the visiting Chinese Vice Premier Li Peng and his party here today.

Li conveyed to the president the invitation to visit China at a convenient time from Chinese President Li Xiannian and Premier Zhao Ziyang, and Numayri accepted it with pleasure. They spoke highly of the friendly relations between China and Sudan. President Numayri praised China for her principle of noninterference and her aid without strings to Sudan. The Chinese people cherish lofty ideals shared by all human beings in the fields of politics, economy, culture and social life," he said. The Chinese vice premier expressed the wish that Sudan will play a greater role in developing its national economy, strengthening the Arab unity and maintaining world peace.

During the talks between the Chinese vice premier and the Sudanese First Deputy President 'Umar Muhamed at-Tayyib, they held identical views on many important international issues and expressed their satisfaction with the development of relations between the two countries, according to well-placed sources. At-Tayyib stressed on the occasion Sudan's stands of preserving Arab and African unity, opposing hegemonism, racism and foreign interference and supporting national liberation.

Li Peng reiterated China's foreign policy of opposing hegemonism, maintaining world peace, and cooperation with the Third World countries. He also restated China's firm support for Arab unity and for the struggle of the Palestinian people. Li and his party also held separate talks with Sudanese Government officials.

Meetings With Other Officials

For Khartoum SUNA reportage on the visit to Sudan by Vice Premier Li Peng, including his arrival statement and meetings with Sudanese President Nūmayri, Armed Forces Commander ad-Dahab, and Vice President at-Tayyib, see the Sudan section of the 25 May Middle East & Africa DAILY REPORT and subsequent issues.

ULANHU MEETS SUDANESE FRIENDSHIP DELEGATION

OW240843 Beijing XINHUA in English 0739 GMT 24 May 84

[Text] Beijing, May 24 (XINHUA) -- Chinese Vice-President Ulanhu this morning met with a friendship delegation from the Sudan led by Ahmed el Saed Hamed, chairman of the National Committee for Friendship, Solidarity and Peace.

Ulanhu visited the Sudan in 1978 and was warmly received by the Sudanese people.

During today's meeting he had a cordial conversation with the guests on the promotion of the friendship and cooperation between the two countries.

FURTHER ON BRAZILIAN PRESIDENT'S PRC VISIT

Leaves for Japan, PRC

OW211900 Beijing XINHUA in English 1852 GMT 21 May 84

[Text] Brasilia, May 20 (XINHUA) -- President Joao Figueiredo left here today for Japan and China for a one-week tour in a bid to enhance economic cooperation with the two Asian nations. Figueiredo is scheduled to stop over in Los Angeles on his way to Tokyo Wednesday on the first leg of his Asian tour. During his four-day visit to Japan, he will sign a scientific-technological agreement and will discuss Japanese loans to his country.

He will fly to China from Tokyo on May 27 for a three-day visit, the first one by a Brazilian president since the two countries normalized relations in 1974. Before his departure, the president expressed his hope that trade and economic cooperation between Brazil and China will be strengthened further.

Figueiredo on Relations

OW241636 Beijing XINHUA in English 1549 GMT 24 May 84

[Text] Brasilia, May 24 (XINHUA correspondent Duan Ziqi) -- Brazilian-Chinese friendly relations have developed gradually since the establishment of diplomatic relations between the two countries in August 1974. This is the view expressed by Brazilian President Joao Figueiredo in an interview here with XINHUA correspondents. He also said his coming visit to China expresses the confidence of the Brazilian and Chinese Governments in the further development in relations. Ties between the Brazilian and Chinese peoples can be traced to the 1880's when many Chinese immigrants came to Brazil to make a living. Since then, Chinese immigrants have made an indelible contribution to the construction of Brazil and been absorbed by the country as the history of the Brazil says.

A major development in Sino-Brazilian relations since 1982 has resulted from an increase in exchanges of visits by high-ranking government officials. A science and technological cooperation agreement was signed in 1982. Brazilian Minister of the Treasury Ernane Galveas visited China last March. Following his visit the two countries agreed to try to raise their volume of trade to one billion dollars this year. In June and July last year, China held a chemical and medical commodity fair and an economic and trade exhibition in Rio de Janeiro and Sao Paulo. The yearly volume of trade increased to more than 170 million dollars in 1977 from some two million in 1974. This went to 412 million dollars in 1981 with China enjoying a surplus of 283 million. It again rose to more than 454 million in 1982, about 25 times as much as that of 1974. The surplus enjoyed by China in that year was 303.5 million dollars. Trade exchanges became more frequent in 1983 with an increase in the variety of commodities. During these years, China mainly exported crude oil to Brazil while China imported mainly raw materials from Brazil such as chemical products, sugar, soya oil, paper pulp, cotton, fleece, tobacco and rolled steel.

During the past years, Brazil and China and other Third World countries have voiced support for one another in upholding national sovereignty and opposing world hegemonism. They have also voiced support for one another in promoting North-South dialogue and South-South cooperation and in demanding the establishment of a new international economic order.

DENG ASSERTS RIGHT TO STATION TROOPS IN HONG KONG

OW250711 Beijing XINHUA in English 0658 GMT 25 May 84

["China Entitled To Station Troops in Hong Kong -- Deng Xiaoping" -- XINHUA headline]

[Text] Beijing, May 25 (XINHUA) -- The Chinese Government has the right to station troops in Hong Kong after recovering China's sovereignty there, Deng Xiaoping, chairman of the Central Advisory Commission of the Chinese Communist Party, said here today. "This is a symbol of safeguarding the territory of the People's Republic of China, as well as a symbol of safeguarding our state sovereignty," he added. [Beijing XINHUA Domestic Service in Chinese at 1152 GMT on 25 May renders the passage as follows: "The Chinese Government has the right to station troops in Hong Kong [zhong guo zheng fu you quan zai xiang gang zhu jun 0022 9048 2398 1650 2589 2938 0961 7449 3236 7465 6511] after China recovers its sovereignty over Hong Kong. This is a symbol of safeguarding the territory of the People's Republic of China as well as a symbol of state sovereignty. This also constitutes a guarantee for Hong Kong's stability and prosperity."]

"Since Hong Kong is part of China's territory, why can't we send troops there? How can Hong Kong be described as Chinese territory if we don't have the right to station troops there?" he demanded.

Deng Xiaoping made these remarks at a meeting with National People's Congress deputies and members of the Chinese People's Political Consultative Conference National Committee from Hong Kong and Macao here this morning.

He wanted the NPC deputies and CPPCC members from Hong Kong and Macao to believe that the Hong Kong issue will be settled in a satisfactory way provided the Chinese Government's policies in this regard are followed. Those who truly love the country and Hong Kong will not be disappointed, he added.

Deng Xiaoping also spoke of ways to handle problems that may arise during the 13-year transition period before China recovers its sovereignty over Hong Kong in 1997.

Present at the meeting were also State Councillors Ji Pengfei and Wu Xueqian and CPPCC National Committee Vice-Chairman Yang Jingren.

JI PENGFEI EXPECTS EARLY SOLUTION ON HONG KONG

OW241329 Beijing XINHUA in English 1305 GMT 24 May 84

[Text] Beijing, May 24 (XINHUA) -- Chinese State Councillor Ji Pengfei said here today that the Hong Kong question will be settled satisfactorily at an early date. He urged people of various social strata in Hong Kong to make joint efforts to maintain stability and prosperity there and contribute their share to the recovery of China's sovereignty over Hong Kong and the cause of the country's reunification.

Ji made these remarks at a banquet he gave this evening for NPC deputies and CPPCC members from Hong Kong and Macao who are here attending the current NPC and CPPCC sessions as well as reporters from the two regions covering the sessions.

The Chinese state councillor confirmed that significant progress has been made in the Sino-British talks on the Hong Kong question. "It is our hope and belief that the Hong Kong question will be settled in a satisfactory way at an early date," he added.

China's policies on the Hong Kong question as expounded by Premier Zhao Ziyang in his report on government work, Ji said, have evoked favorable repercussions in Hong Kong and elsewhere in the world. These policies, he added, have been widely acclaimed as conducive to strengthening confidence of the people in Hong Kong as well as to maintaining Hong Kong's stability and prosperity. Among those present at the banquet was State Councillor and Foreign Minister Wu Xueqian.

LEADERS MEET NPC, CPPCC MEMBERS FROM HONG KONG

OW241141 Beijing XINHUA in English 1130 GMT 24 May 84

[Text] Beijing, May 24 (XINHUA) -- President Li Xiannian, NPC Standing Committee Chairman Peng Zhen and CPPCC National Committee Chairperson Deng Yingchao met here this afternoon with a group of people from Hong Kong and Macao. They were NPC deputies and CPPCC members from Hong Kong and Macao who are here attending the current NPC and CPPCC sessions as well as reporters from the two regions covering the sessions. Hosts and guests exchanged views and were posed for group pictures. NPC deputy Fei Yi-ming, director of the Hong Kong newspaper TA KUNG PAO, said after the meeting: "We shall work hard for China's modernization and recovery of China's sovereignty over Hong Kong in 1997."

YAO YILIN MEETS REPORTERS FROM HONG KONG, MACAO

OW241204 Beijing XINHUA in English 1156 GMT 24 May 84

[Text] Beijing, May 25 (XINHUA) -- Vice-Premier Yao Yilin met here this afternoon with a group of reporters from Hong Kong and Macao who have come to cover the NPC and CPPCC sessions. Yao answered their questions on the policy of opening China to the rest of the world, the country's economic situation and the ways to maintain Hong Kong's stability and prosperity after China's sovereignty there is recovered.

FURTHER COVERAGE OF SECOND SESSION OF SIXTH NPC

Deputies Debate Military Law

OW241439 Beijing XINHUA in English 1416 GMT 24 May 84

[Text] Beijing, May 24 (XINHUA) -- Deputies from the Chinese People's Liberation Army to the current National People's Congress had a two-hour debate on the draft military service law here today. The debate was touched off by Gao Rui, vice-president of the Academy of Military Science, who argued that the armed forces should include the public security forces in autonomous areas established according to Article 120 of the Constitution. However, he said, the draft military service law does not contain this stipulation.

Article 4 of the draft law says that China's Armed Forces are composed of the Chinese People's Liberation Army, the Chinese People's Armed Police and the militia. General Gao suggested this article be revised.

Article 120 of the Constitution says, "the organs of self-government of the national autonomous areas may, in accordance with the military system of the state and concrete local needs and with the approval of the State Council, organize local public security forces for the maintenance of public order."

A heated debate followed Gao Rui's speech concerning the composition of China's Armed Forces. General Deng Jiatsi, former deputy commander of the Armored Forces, and several other deputies dissented, arguing that the draft law on regional autonomy for minority nationalities now being deliberated at the current NPC session already embodies the content of Article 120 of the Constitution. They maintained that it is not necessary to repeat it in the military service law. They did not favor a revision of the related stipulations in the draft military service law.

Another group of deputies, however, supported General Gao's proposal. They argued that, since the military service law is China's fundamental law guiding military service, it should reflect the spirit of the Constitution in an all-round way.

Still others argued that Article 29 of the Constitution clearly defines the tasks of China's Armed Forces. So, they said, all armed organizations shouldering these tasks fall into the category of armed forces. Therefore, they said, it is no longer necessary to define the composition of the armed forces in the military service law. Article 29 of the Constitution says that the tasks of China's Armed Forces are to strengthen national defense, resist aggression, defend the motherland, safeguard the people's peaceful labor, participate in national reconstruction, and work hard to serve the people.

General Yang Dezhi, chief of the PLA General Staff, listened attentively to the debate and took notes carefully. Taking a copy of the Constitution, he left his seat several times and went over to General He Zhengwen, deputy chief of General Staff, and other deputies to exchange views with them. At the end of the debate, Yang Dezhi said he was very glad that the deputies had had a full exchange of ideas. He suggested that all views presented at the panel session be submitted to the congress for consideration.

The deputies also discussed the relations between the militia and the reserves, the scope of call-up, the military ranking system and other stipulations in the draft law and advanced many ideas for revision.

Debate on Military Law Continues

OW241457 Beijing XINHUA in English 1433 GMT 24 May 84

[Text] Beijing, May 24 (XINHUA) -- National People's Congress deputies from the People's Liberation Army today voiced approval of the draft revised military service law while suggesting a number of revisions. The 245-member PLA delegation continued deliberating the draft law in eight groups. General Yunusuv Asan [spelling as received] (Kazak nationality), deputy commander of the northern Xinjiang military command, said that the new draft has summed up experience in a comprehensive and systematic way and set forth the concept of combining the militia and the reserves. For many years, he noted, his command sometimes paid attention to the militia while neglecting the reserves or the other way round. This new military service law will serve as the basis for improving the future work concerning military service, Yunusuv said.

He also suggested a change in Article 59, which says that the state will make appropriate arrangements for officers retired from active duty. The revision he proposed is that the state will make appropriate arrangements for such officers in line with their professional or technical proficiency. "This will enable many officers with special technical proficiency to develop their expertise fully after they are retired from active service," the general said.

General Wang Dinglie, deputy commander of the Air Force, described the new military service law as one "with Chinese characteristics." Detailed regulations on implementing the law, such as those on punishment, should be worked out as soon as possible, he said. General Wang suggested that the armed forces should be permitted to enlist volunteers directly according to their need of work, and that the type and number of volunteers to be recruited and the methods of enlisting should be decided by the Ministry of National Defense. A new clause to this effect should be added to Article 19 of the draft law, he said. The Air Force general also proposed that the authority with the power of interpreting the law be specified in its text.

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General Lin Jigui, commander of the Air Force of the Jinan military area command, held that the term of active service for compulsory servicemen in the Air Force should be changed from four to three years. The terms need not be so long because the new military service system combining compulsory servicemen and volunteers and the military academies will provide enough replenishments, he argued. Long terms of active service would create a series of problems with regard to the employment of servicemen retired from active service and the life of their families, General Lin said.

Xu Tingze, advisor to an aviation academy, suggested that the term "militia" used in the draft law be changed to "compulsory militia" to imply that it is the obligation of every eligible citizen to serve in the militia.

Deputies Support Military Law

OW241435 Beijing XINHUA in English 1407 GMT 24 May 84

[Text] Beijing, May 24 (XINHUA) -- National People's Congress deputies from Beijing, Tianjin and Shanghai today described the draft military service law as conforming to China's specific conditions and conducive to increasing the capability of its armed forces. The draft lists the Armed Police Force as part of the country's armed forces, said Pan Qihuai, political commissar of the Shanghai Corps of the Chinese Armed Police Force. This is of great significance to building the Armed Police Force and improving the quality of its officers and men. It also tallies with the need of the socialist modernization drive and accords with the wishes of the armed police officers and men, he added.

To help modernize the Armed Police Force, preparations are under way to set up an armed police school in Shanghai, probably to open in September this year, Pan disclosed.

Wu Chaoyi, head of the Hedong District of Tianjin, said that the draft military service law institutionalizes the militia system which was shaped in the years of revolutionary wars, and it embodies the concept of people's war. As an armed mass organization which is not divorced from production, he said, the militia undertakes patrol duty, protects factories and highways and maintains social order in times of peace. In times of war, the militia should cooperate with the regular Army in military operations, he added. Wu is also in charge of drafting servicemen in his district. He conceded that difficulties arise with the change in the exemption of the only child from active service. But, he added, these difficulties can be overcome with some effort. "Since the Army pays attention to the training of soldiers good in both production and military skills, servicemen can learn general knowledge, science and technical skills. After completing their term of service, they can land jobs easily," he said. Moreover, the people in China have the fine tradition of sending their sons to the Army, he stressed.

Gu Chaohao, vice-president of Fudan University in Shanghai, drew attention to the provision in the draft military service law concerning military training of students in the universities, colleges and senior middle schools. "This represents an important measure to increase the reserve forces," he said. Military training will help foster patriotism among the students and increase their sense of responsibility for defending the motherland. This is also helpful to their moral, intellectual and physical development, he added. Gu said students with such training form a reserve force suited to modern warfare.

Zhang Xiuzhen, a neighborhood community leader in Beijing, said she would support the new military service law by actual deed. Her three sons have served in the Army and, when her two grandsons are grown up, she will also persuade them to join the Army, she said.

Ulanhu on Regional Autonomy Law

OW241231 Beijing XINHUA in English 1148 GMT 24 May 84

[Text] Beijing, May 24 (XINHUA) -- Ulanhu, vice-president of the People's Republic of China, today urged the adoption of a regional autonomy law for minority nationalities after full deliberation by deputies to the National People's Congress. "People of all minority nationalities in China are eager to see an early adoption of the law," the 78-year-old leader of Mongolian nationality said this afternoon at a meeting of the Inner Mongolian delegation to discuss the draft law. It was submitted to the congress for approval on May 22. Ulanhu took charge of the drafting of the regional autonomy law in July 1981.

The new law has been formulated in accordance with the Constitution of China, he said. As it stands now, he said, the draft conforms with the spirit of the Constitution. "It's a good draft," he stated. Regional autonomy for minority nationalities has long been in practice in China, he said. The new law institutionalizes this correct and effective system.

China's first autonomous region, the Inner Mongolian Autonomous Region, was established in 1947 under the leadership of the Chinese Communist Party. "Our party gained its first experience from this," he said. China has made great successes in this respect in the past three decades or so, he said. The policy of regional autonomy has guaranteed the unification of the country and national unity and ensured equal rights and right of autonomy for the minority nationalities. "Practice shows that this is a successful policy, the only correct policy for solving China's nationality issue," Ulanhu stated.

Greater efforts to make laws on nationality is an important part of China's work to improve its legal system in recent years, he pointed out. The new law, he said, will play an important role in safeguarding the right of the minority nationalities to autonomy and their right to running their own affairs.

He believed that full implementation of the new law, when adopted, depends much on wide publicity and supervision. The law should be made known to every one of the minority nationalities as well as the Hans, the main nationality. He listed economic development, expansion of cultural and educational undertakings and training of numerous cadres, workers and technicians from among minority nationalities as the three central tasks in implementing the Constitution and the regional autonomy law.

He expected the new law to work. It also remains to be enriched and improved in practice considering the diversity of conditions arising from China's numerous nationalities and vast size. There are also a number of theoretical issues to be further explored, he added.

Deputies Support Autonomy Law

OW240828 Beijing XINHUA in English 0817 GMT 24 May 84

[Text] Beijing May 24 (XINHUA) -- China's first law on regional autonomy, now under deliberation at the National People's Congress session, will bring prosperity and progress to minority nationalities.

This was stated by a 26-year-old deputy of Hezhen nationality in Northeast China's Heilongjiang Province, which has the smallest population in the country. It was also shared by deputies from other very small nationalities, such as Oroqen and Daur, at panel sessions deliberating the draft law on regional autonomy. Wu Guofang, who is head of a Hezhen Township, said: "The law contains clear stipulations on political, economic, cultural and health issues the Hezhen people are most concerned about, much to their satisfaction."

The number of Hezhen people, who live along the Wusuli and Songhua Rivers, has grown from 300 at the time of liberation to 1,300 at present. Though the nationality she belongs to is the least populous, Wu said, it enjoys equal political rights with all other nationalities in China. It has representation in the National People's Congress and the Chinese People's Political Consultative Conference, apart from seats on the local county government. She said that the Hezhen people, who mainly live by fishing, have replaced their primitive fishing methods with mechanized or semi-mechanized operations as a result of financial aid from the state. Three of the 41 Hezhen households in her township each earned more than 10,000 yuan (about 5,000 U.S. dollars) last year, Wu said. She said the Hezhen nationality now has its own teachers, doctors and other professionals. Moreover, she added, the government has sent in medical personnel to give them regular physical check-ups.

Wu Guofang also said that upon her return she will give lectures on the law for people of her nationality.

Another woman deputy, 34-year-old Meng Meihua of Oroqen nationality, also voiced support for the draft law on regional autonomy. The Oroqen nationality now has a population of some 3,000 as compared with only 130 people 30 years ago when they lived in the dense forests of the Lesser Hinggan Mountains. It was the people's government that helped them resettle on the plains, Meng said. This peasant woman recalled that the Oroqen people used to rely on bonfire for lighting and heating in the past. Now the government has built tile-roofed houses for all Oroqen families and last year bought each of them a TV set.

Bu Lin, 61, is a deputy of Daur nationality which has a population of 16,000. He described the law on regional autonomy as a law protecting the minority people. "It gives consideration to the characteristics and interests of the minority nationalities in every way," he added. Bu Lin is also vice-chairman of the Qiqihar political consultative conference in Heilongjiang Province. While the law was being drafted, he said, some people disagreed to clauses concerning the enrollment of minority peasants in urban industrial enterprises because, they argued, it was contradictory to the government policy of reducing urban population.

Bu said he was delighted to see that the clause on recruiting minority people for urban enterprises had been retained. "This is conducive to improving the cultural, technical and managerial levels of the minority people," Bu Lin said.

Presidium Holds Second Meeting

OW250957 Beijing XINHUA in English 0940 GMT 25 May 84

[Text] Beijing, May 25 (XINHUA) -- A bill on establishing the Hainan Administrative Region and draft resolutions on the three government reports to the present National People's Congress session were adopted at a Presidium meeting here today.

Presided over by NPC Standing Committee Chairman Peng Zhen, the second meeting of the Presidium for the current session discussed the bill and decided to submit it to the congress for deliberation.

The bill proposed the formation of a people's government for the Hainan Administrative Region to replace the present office of the Hainan Administrative District. But the regional government will remain under the leadership of the People's Government of Guangdong Province.

While exercising jurisdiction over Hainan Island, China's second largest, the regional government will also administer the Xisha, Zhongsha and Nansha Islands to cope with the needs in implementing the policy of opening to the outside world and to speed Hainan's development.

Also adopted were three draft resolutions to be submitted to the NPC session for deliberation.

These draft resolutions involve the reports on the work of the government, on the plan of national economic and social development for 1984 and on the state final accounts for 1983 and draft budget for 1984.

At today's Presidium meeting, Wang Renzhong, chairman of the NPC Financial and Economic Committee, delivered a report on examining the state final accounts for 1983 and draft state budget for 1984.

The meeting adopted the report in principle, and it will be submitted after further revision to the plenary meeting for deliberation.

Speaking at the meeting, nine members of the Presidium proposed increases in funds for intellectual development, further implementation of the policies for intellectuals and Overseas Chinese, and levy of agricultural taxes.

The meeting also approved the nomination of a candidate for membership of the NPC Standing Committee, to be approved at the plenary meeting.

Literary, Art Reform Discussed

OW241051 Beijing XINHUA Domestic Service in Chinese 1638 GMT 23 May 84

[Text] Beijing, 23 May (XINHUA) -- Deputies from literary and art circles to the Second Session of the Sixth NPC have in the past few days discussed the question of literary and art reform.

Deputy Guan Sushuang from Yunnan said: Literary and art reform must be carried out and continued. It is necessary to strengthen the party's leadership and carry out reform in a planned manner. Literary and art reform must have its own specific characteristics. It is necessary to pay close attention to economic results and at the same time follow the orientation of making literature and art serve the people. It is necessary to vigorously create modern plays and present quality performances in order to win larger audiences.

Deputy Li Shaohua from Fujian said: Like all urban enterprises, literary and art groups must solve the problem of "everyone eating from the same big pot." Among the more than 200 members of the Fujian experimental theatrical troupe in my province, quite a few people have been admitted to the troupe through various connections. The troupe actually only needs some 100 members. The problem is that it does not have the authority to dismiss or recruit members, and this causes a shortage of qualified performers. The central departments concerned should grant greater decisionmaking powers to lower units in managing personnel.

Deputies Ma Shitu and Li Zhaoyan from Sichuan pointed out: Reform must be made in literary and art departments and the practice of "everyone eating from the same big pot" must be discontinued. Full-time writers who do not turn out even a single article in 10 or 20 years should not continue to receive wages. A method of paying basic wages plus writers' remunerations should be considered. Of the some 30 literary and art periodicals in Sichuan, only 2 or 3 are not running at a loss. It is necessary to introduce a contract responsibility system like the one established in rural areas. Periodicals that are running at a loss should voluntarily stop publication.

Deputy Hou Baolin from Beijing said: It is imperative to carry out reform among literary and art circles. It is necessary to solve the major problems of overstaffing and of making no distinction between those who work and those who don't, and between those who do more work and those who do less, allowing those who don't do work to be more popular than those who do. Some people who don't work still receive bonuses while leading young performers receive low wages.

Deputy Yu Yanfu from Jilin said: The problems that must be solved by film circles are: One, the Culture Ministry must relax the restrictions imposed on movie studios and give them the authority to review and approve movie scripts so that they can have a free hand in doing creative work; and two, the regulation concerning the China Movie Distribution and Projection Company's exclusive right to distribute movies should be changed in order to abolish this intermediate link and enable movie studios to establish direct links with all provincial and municipal movie distribution companies, thus making production, supply, and distribution a coordinated process.

Stability of Laws Asked

OW241309 Beijing XINHUA in English 1242 GMT 24 May 84

[Text] Beijing, May 24 (XINHUA) -- Laws should be instituted to make sure that no one will be permitted to abolish or tamper with China's Constitution and basic laws at will. This call was made by Chen Junsheng, a National People's Congress deputy and deputy Communist Party secretary of Heilongjiang Province, in a letter to Peng Zhen, chairman of the NPC Standing Committee.

This legislative action was proposed to ensure enduring stability in China and the continuity of its democratic system and present laws, Chen Junsheng said. It would also help prevent China's democratic institution and laws from possible changes because of changes in individual leaders or their views and focus of attention, Chen said. In the past, the letter dated May 20 recalled, the Constitution and basic laws were frequently changed or even scrapped and redone completely. This damaged the authoritativeness of the laws and brought serious consequences to China's political life.

Chen said he was not indiscriminately opposed to any revision of the Constitution and basic laws. Changes were bound to be made in the light of the changing situation, he said. But any change or revision must be made on the basis of the laws themselves and through proper legal procedures, he added.

Chen also proposed that amendments and revised clauses of laws should not be retroactive and nobody should be held responsible for his past action which is against the new laws.

This meant, the letter said, no one needed to worry that his action might violate possible new laws in the future. This was important for maintaining the validity and seriousness of the laws and should be made a principle in legislation, Chen added.

It would be impossible to build a legal system in a populous country like China, the letter pointed out, if the Constitution and basic laws were not kept valid for a long period of time and if the people did not respect and observe them. Strict legislative procedures must be provided to ensure that the Constitution would not be easily revised, Chen said. Only when stability and continuity of the laws were ensured by way of legislation, he said, could China's political stability be guaranteed.

Muslim Deputies on Regional Autonomy

OW241625 Beijing XINHUA in English 1351 GMT 24 May 84

[Text] Beijing, May 24 (XINHUA) -- The law on regional autonomy for minority nationalities is in keeping with the aspirations of the 14 million Chinese Muslims. This is the consensus of opinions expressed by National People's Congress deputies of Hui (Muslim) nationality from the Ningxia Hui Autonomous Region at panel meetings over the last two days. They have been discussing the draft law on regional autonomy, with particular reference to the freedom to believe in religion. Al-Hajji Muhammad Ali Zhang Jie, an NPC deputy and president of the Chinese Islamic Association, said that ten of the 55 minority nationalities in China are Muslims, and they have a combined population of about 14 million. The majority of them live in compact communities in the Ningxia Hui Autonomous Region, the Xinjiang Uygur Autonomous Region, as well as in a number of autonomous prefectures and counties in Gansu, Qinghai, Yunnan and Hebei Provinces. The Muslims enjoy not only the political rights to exercise autonomy but freedom of religious belief, he said.

All autonomous areas, he added, have special stipulations on the protection of normal religious activities among Muslims. Apart from national holidays, Muslims in government offices and factories enjoy holidays and attend ceremonious services at mosques during the three festivals -- the Molid Nabawi, the Id festival and the Corban festival. The number of mosques throughout the country has grown from something over 10,000 in the mid-1960s to about 20,000 at present. Since 1979, the Chinese Islamic Association has organized 3,000 Muslims in five delegations and more pilgrimage groups to Mecca, he said. It will send its sixth delegation to the holy place later this year.

Most of the NPC deputies from the Ningxia Hui Autonomous Region are Muslims. Some of them have still taken time out of their schedule to attend religious services during the session.

Ma Liesun, an NPC deputy and Islamic leader in Ningxia, said that applying its power of autonomy, the Nigxia Autonomous Region has formulated regulations suited to its special conditions to protect customs of the Muslims. Burial of the dead in the ground has remained unchanged in Ningxia, while cremation is being encouraged in other places of the country. Imams continue to witness weddings. Ma Liesun said that the majority of the 1.2 million Muslims in Ningxia are peasants and herdsmen. Since the production responsibility system was introduced in 1979, they have increased their income substantially. They now have greater ease of mind to pursue their normal religious activities. "The enacting of the law on regional autonomy is a great happy event for the Chinese Muslims," he declared.

Trade Union Support Urged

OW240941 Beijing XINHUA Domestic Service in Chinese 1606 GMT 23 May 84

[Text] Beijing, 23 May (XINHUA) -- Ni Zhifu, NPC deputy and president of the All-China Federation of Trade Unions, said at a group discussion meeting: Trade union organizations should actively participate in and support reform. Only in this way can they get to the essentials of their work.

He said: Comrades doing trade union work should proceed from a desire to revitalize China in the interest of the people and closely cooperate with comrades doing economic work in order to achieve reform. Trade union organizations should regard it as their bounden duty to strengthen ideological education among the workers and staff and publicize the need and urgency of reform among the workers and staff. Trade union organizations should further help the workers and staff correctly understand and handle the relations between the state, the enterprises, and themselves. They should join the workers and staff in studying how to overcome the malpractice of "sharing food from the same big pot," in supporting the unified command of the plant directors and managers, and in supporting the establishment of various forms of the responsibility system. They should educate the workers and staff to observe working discipline, uphold the system of rewarding diligent persons and punishing lazy ones, support technical innovations and technical revolution, and launch labor emulation drives.

He said: Trade union organizations should be concerned about the well-being of the workers and staff and actively promote cultural and sports activities. In some units the masses are complaining about the poor management of their mess halls. Trade unions there should join the management in improving the mess halls. Trade union organizations should encourage intellectuals and workers to learn from each other. The four modernizations need knowledge and intellectuals. At the same time, the four modernizations also require us to constantly raise the workers' education level and improve the ideological, political, cultural, and technical quality of the workers and staff. The workers and staff now have much greater enthusiasm for acquiring knowledge and learning skills than before, and reading books has greatly increased among them. However, we must see to it that the study is done with a view to reality.

FURTHER COVERAGE OF SIXTH CPPCC NATIONAL COMMITTEE

Standing Committee Meets

OW250851 Beijing XINHUA in English 0814 GMT 25 May 84

[Text] Beijing, May 25 (XINHUA) -- The Standing Committee of the Sixth National Committee of the Chinese People's Political Consultative Conference held its sixth meeting here this morning. The meeting heard a report by Peng Youjin, secretary general of the CPPCC National Committee, on the consultations and discussions on the scheduled subjects since the current Second Session of the Sixth CPPCC National Committee opened on May 12. Peng Youjin said that more than 1,700 members attending the present session put forward many constructive suggestions at panel discussions or plenary meetings. Some 300 bulletins on the discussions have been issued during the session and 1,031 motions have been submitted by the members, Peng said. The whole session has been alive with an atmosphere of democracy and unity, Peng stated.

Today's meeting also adopted a draft list of candidates to be elected as new vice-chairman and Standing Committee members of the CPPCC National Committee. The list will be submitted for approval at the closing ceremony of the present session tomorrow.

The candidates had been nominated through democratic consultations among the Chinese Communist Party, the democratic parties, non-party personalities and the people's organizations, and had been discussed at the present CPPCC session. Also adopted at the meeting were a draft political resolution for the session, a draft resolution on the work report of the CPPCC National Standing Committee and a draft report on the examination of motions submitted. These documents will also be submitted for approval at the closing ceremony tomorrow.

Today's meeting was presided over by Zhou Peiyuan and Cheng Zihua, both vice-chairman of the CPPCC National Committee.

Zhu Muzhi on Art Reform

OW191321 Beijing XINHUA in English 1153 GMT 19 May 84

[Text] Beijing, May 19 (XINHUA) -- Minister of Culture Zhu Muzhi explored ways of carrying out reforms in the field of art with a group of National Committee members of the Chinese People's Political Consultative Conference yesterday. The committee members were artists from the theater, cinema, music, and other fields of art. Many of them showed approval of the contract responsibility system being tried out in their own troupes or asked to begin such experiments in their units.

Minister Zhu called for introducing the responsibility system in art troupes one and a half years ago. Divergence of opinions later developed. But more and more people have come around in recent months to see that the responsibility system is needed in art institutions just as in economic enterprises.

Leader of the Shenyang Pingju Opera Theater Xiao Junting told the minister that a performing troupe of the theater had benefited from the contract system, which ensures more pay for more work. The singers gave 270 performances in eight months following the introduction of the system. Apart from bringing more income, she said, the new system is offering more stage opportunities to young singers who had been chafing at the scarcity of role assignments in the past.

Zou Dehua, from the Opera and Dance Drama Theater of China, proposed instituting a system of troupe leaders assuming full responsibility for the troupe's operations.

Tao Jin, a veteran film actor and director, called for further eliminating "left" influence and giving greater power of decision to screenwriters and directors. Hearing this, Minister Zhu Muzhi raised his hand to show his approval.

Luo Yusheng, a leading ballad singer from Tianjin, asked the minister what had become of a proposal CPPCC member had put forward two years ago concerning the establishment of an institute of research on the art of ballad singing. The minister replied that steps had been taken to implement the proposal.

Zhang Quan, a leading soprano and now vice-president of the Central Conservatory of Music, proposed that the Culture Ministry should organize more songfests to encourage national music.

Minister Zhu, who had been taking notes as he listened, stated at the end of the meeting that art work, like other professions in China, needed reform. The most outstanding problem in the art field is the egalitarian practice, he said. "This is where the reform should start," he added. His words drew warm applause from the CPPCC members present.

The minister said that the reform in the art field should take its special characteristics into consideration. Production of more fine works and training of more able people should be the motive as well as objective of this reform he stated.

Deng Yingchao Meets Art Workers

OW200939 Beijing XINHUA Domestic Service in Chinese 1515 GMT 19 May 84

[By reporter Sun Xiaoming]

[Text] Beijing, 19 May (XINHUA) -- CPPCC National Committee Chairperson Deng Yingchao told CPPCC members from literary and art circles today that the line implemented by the CPC since the convening of the 3d Plenary Session of its 11th Central Committee has full ideological and organizational assurance as well as the backing of policy, and that it is hoped that writers and artists will freely and boldly create and perform works in order to allow socialist culture and art to flourish.

In high spirits despite successively participating in the CPPCC group discussions in the past few days, Deng Yingchao arrived at the joint discussion of CPPCC members from literary, drama, cinema, music, quyi, art, and dance circles to discuss with them the question of how to develop culture and art and allow them to flourish. She added with good humor: "I have brought with me today ears to listen to opinions and eyes to see old friends and new acquaintances."

After hearing views voiced by dramatist Wu Zugang, musician He Luding, folk artist Han Qixiang and painters Huang Yongyu and Liu Haisu, she said: The implementation of the policies toward CPPCC members and intellectuals is very important work concerning the prestige of the party and the government. All comrades in charge of the united front work must assume an earnest attitude in order to do a good job of the work.

Deng Yingchao said: After the severe test during the decade of internal turmoils, comrades in literary and art circles have a stronger spirit and work harder than before. Expressing delight over the changes in the mental outlook of writers and artists, she said: The main trend of movies, novels, and dramas produced in recent years reflects many good works describing the building of socialist modernization and people's creativity. Of course, we need not deny the fact that there are also quite a few unhealthy works. While opposing and resisting spiritual pollution recently, some localities committed improprieties, which caused uneasiness and worry among the comrades in literary and art circles. After learning about this problem, the CPC Central Committee corrected the mistake in good time. Deng Yingchao's remarks won enthusiastic applause from the CPPCC members.

Then, with great interest, Deng Yingchao exchanged views with the CPPCC members about creative works of movies and television dramas. She stressed, in particular, the importance of seeking truth from facts and conforming with historical reality in writing novels or dramas. Her interesting and incisive remarks were constantly punctuated with laughter of approval from the CPPCC members.

Den Yingchao Meets Nonparty Group

OW190417 Beijing XINHUA Domestic Service in Chinese 1649 GMT 18 May 84

[By reporters He Ping, Chen Yan]

[Text] Beijing, 18 May (XINHUA) -- Deng Yingchao, chairman of the CPPCC National Committee, joined the CPPCC's nonparty democratic people in group discussions on the afternoon of 18 May. She earnestly heard their news, held cordial talks with them, and consulted them on state affairs.

In the afternoon, when the nonparty democratic members of the CPPCC National Committee were deliberating Premier Zhao's report, Deng Yingchao came in. The nonparty democratic people all stood and greeted her with warm applause. Gesturing everyone to be seated, Deng Yingchao said apologetically: "How are you all? Sorry I am late, but something delayed me. Please continue your meeting." Deng Yingchao said: "I feel very happy to be able to join your discussions, because a group of nonparty democratic people represents a broad spectrum of views."

Deng Yingchao appeared very dignified in her Western-style gray suit. Leaning forward in her chair, she earnestly listened to talks by Feng Ying, chief engineer of the Ministry of Water Conservancy and Power; Yang Jike, vice governor of Anhui Province; and Ye Daoying, Standing Committee member of the CPPCC National Committee. She praised their rich, substantive views. She said that their views on water conservancy and coal energy are very important to the four modernizations, and are in conformity with those of the central organ leaders, helping to make the four modernizations a success, and bringing about fundamental changes in the party's style and social practices. She said we are confident and determined to achieve these goals.

Deng Yingchao said earnestly: "I have a request. When you see any problems in our work, please let us know immediately, so that they may be corrected in time. Indeed, our party does have shortcomings. That is why we must launch a party rectification campaign. Please do not hesitate to put forward your suggestions. I guarantee that our party will never repeat its past mistakes."

Deng Yingchao said to Liang Shuming: "We have known each other for decades. I am very happy to see you today." Deng Yingchao also affectionately shook hands and chatted cheerfully with Han Yunhua, wife of the late Mei Yiqi, former president of Qinghua University. Deng Yingchao asked the nonparty members of the CPPCC National Committee to convey her regards to Don Zhujun, member of the CPPCC National Committee, who is currently hospitalized.

Deng Yingchao on Reunification

OW190259 Beijing XINHUA Domestic Service in Chinese 1806 GMT 18 May 84

[By reporter Duanmu Laidi]

[Excerpts] Beijing, 18 May (XINHUA) — Deng Yingchao, chairman of the CPPCC National Committee met with journalists from Hong Kong and Macao here this afternoon. The journalists are in Beijing covering the current sessions of the NPC and the CPPCC.

Deng Yingchao told them: You are all very young. I hope that young people in Hong Kong and Macao love the motherland, show concern for state sovereignty, work and study hard at their workposts, and make still more contributions to the stability and prosperity of Hong Kong, as well as the cause of the motherland. Her remarks were interrupted by warm applause from the Hong Kong and Macao journalists.

Deng Yingchao said: You come here to cover the two meetings. You have been working very hard, with great enthusiasm. I salute you and thank you. As journalists, you are doing a very important and meaningful job, which is connected with thousands upon thousands of readers. I admire your work. She said that news reportage should be fast, race against time, and seek truth from facts, and that it should serve a specific purpose and be loved by the readers. The journalists again warmly applauded her ebullient remarks.

On the question of the peaceful reunification of the motherland, Deng Yingchao said: The motherland's reunification will be accomplished sooner or later. I hope that you in Hong Kong will do good work for Taiwan's return to the motherland. The People's Government welcomes Kuomintang figures in Taiwan to return to the mainland for a visit. Please convey this message to them.

Also present at today's meeting were Yang Jingren, Liu Lantao, Hu Ziang, Qian Changzhao, Wang Guangying, Fei Xiaotong, and Qu Wu, vice chairmen of the CPPCC National Committee; Peng Youjin, secretary general of the CPPCC National Committee; Fei Yimin, a member of the NPC Standing Committee; and Li Zisong, Li Xiawen, Qi Feng, Xu Simin, and Zhai Luanhui, members of the CPPCC National Committee.

After the meeting was over, Yang Jingren gave a banquet for the Hong Kong and Macao journalists. At the banquet, Huang Wanling, on behalf of the Hong Kong and Macao journalists, expressed her thanks for Chairman Deng Yingchao's meeting, and for the banquet given by the CPPCC National Committee.

Hong Kong CPPCC Member Cited

HK211138 Beijing ZHONGGUO XINWEN SHE in Chinese 0302 GMT 21 May 84

[Report: "An Zijie, Hong Kong CPPCC Member, Puts Forward 16 Proposals on Maintaining Hong Kong's Stability and Prosperity" -- ZHONGGUO XINWEN SHE headline]

[Text] Beijing, 21 May (ZHONGGUO XINWEN SHE) -- In his speech at today's meeting of the Second Session of the Sixth National CPPCC, which was held this morning, An Zijie, a Hong Kong member of the CPPCC, advanced 16 proposals on maintaining Hong Kong's stability and prosperity after 1997.

He said: In order to maintain the stability of Hong Kong, it is essential that there should be: 1) No continuous unsatisfactory conditions in public order; 2) no serious interruption of communications; 3) no successive workers strikes or students strikes; 4) no sudden comprehensive increases in commodity prices; 5) no riots, panic purchasing, or looting or burning houses; 6) no comprehensive disruption of public utilities; 7) no propaganda which instigates riots, and no anti-foreign activities; and 8) no serious panic, and no financial crises.

An Zijie said: In order to maintain the prosperity of Hong Kong, it is essential that: 1) There should be no substantial decrease in export orders; 2) the cost of living index is stable, or there should be only a slight increase; 3) there should be no long-term deficiency in the means of livelihood; 4) there should be no tendency toward decreased services and employment; 5) there should be surpluses for large, medium-size, and small enterprises after paying their taxes, and they should not sustain great losses; 6) wages should be stable and should increase annually; 7) there should be a continuous accumulation of the investment in production, and renewal of equipment for production should be effected; and 8) there should be new industries created in line with world trends, because old technologies are bound to become out-of-date, and old industries are certain to decline.

In order for Hong Kong to maintain its status as a free port and as an international financial and trade center, An Zijie proposed that English be also established as a legal language, to be used in conjunction with Chinese. This would greatly facilitate the continued development of Hong Kong and enhance the confidence of investment by the international community. This would also play an active role in building the four modernizations of our country.

An Zijie held that in the final analysis all would depend on the local people of Hong Kong, Chinese, and foreign nationals alike, to exert their efforts, be diligent, creative, persistent, coordinate their efforts, be able to distinguish right from wrong, and do everything within their power. In this way they would be able to take good care of each other.

Deng Yingchao Meets Foreign Members

OW231315 Beijing XINHUA in English 1254 GMT 23 May 84

[Text] Beijing, May 23 (XINHUA) -- Deng Yingchao today met members of the National Committee of the Chinese People's Consultative Conference who are either of foreign descent or have come to settle on China's mainland from Taiwan and overseas, and solicited their opinions on CPPCC work. Deng, who is chairperson of the CPPCC National Committee, has conferred with CPPCC National Committee members from cultural, educational, and other fields in the past few days. At today's meeting, she thanked the CPPCC members of foreign descent for their contributions to China's revolution and construction. "You are our old and good friends. You form part of the Chinese people," she said.

Deng exchanged greetings with Elizabeth Li, wife of the late outstanding leader of the Chinese workers' movement Li Lisan, and Eva Siao (Eva Sandbert), wife of the late famous poet Xiao San.

She praised Sidney Shapiro of the Foreign Language Press for the suggestions he had made at the CPPCC National Committee session on Monday on how to improve China's information service abroad.

Among those attending the meeting today were Ma Haide (George Hatem), adviser to the Ministry of Public Health; Richard Frey, adviser to the Chinese Academy of Medical Sciences; Hans Muller, adviser to the Beijing Medical College; and Israel Epstein, editor-in-chief of CHINA RECONSTRUCTS, an English language monthly.

Guo Yuefang, of Japanese origin, and Betty Chandler and Ruth Weiss, specialists working at the Foreign Languages Press, were also present. On hand were also comrades of the Tibetan nationality who had returned to settle from Australia, and Huang Zhicheng and Li Dawei, former Taiwan pilots who had crossed over to the mainland.

HU YAOBANG VISITS CHINA HOTEL IN GUANGZHOU

HK240326 Beijing ZHONGGUO XINWEN SHE in Chinese 1321 GMT 24 May 84

[Text] Guangzhou, 23 May (ZHONGGUO XINWEN SHE) -- On the afternoon of 22 May, Hu Yaobang, general secretary of the CPC Central Committee, visited the China Hotel in Guangzhou and wrote an inscription for the hotel. He was accompanied by Ren Zhongyi, first secretary of the Guangdong Provincial CPC Committee, Shi Anhai, vice mayor of Guangzhou City, and others.

Yu Yaobang inquired in detail about the operation and management and modern facilities of this Hong Kong-Guangdong joint venture. He visited the hotel's Chinese and Western restaurants, computer center, color television center, hi-fi center, fire center, closed circuit television control center, and other modern equipment.

China Hotel is the best hotel in Guangzhou with ultramodern facilities.

BO YIBO ADDRESSES ZHEJIANG PARTY FORUM 22 MAY

OW241245 Hangzhou Zhejiang Provincial Service in Mandarin 1030 GMT 23 May 84

[Text] Bo Yibo, vice chairman of the Central Advisory Commission, met in Hangzhou on 22 May with all the comrades attending the enlarged meeting of the Standing Committee of the Zhejiang Provincial CPC Committee. He also made an important speech to them on party rectification and economic reform. At 0930 on 22 May, as Comrade Bo Yibo walked into the meeting in the company of Comrade Wang Fang, secretary of the Zhejiang Provincial CPC Committee, he received a standing ovation from the attendants.

Comrade Bo Yibo expounded his eight-point view on party rectification and economic reform. He asked the meeting attendants to truly and thoroughly resolve the question of negating the Great Cultural Revolution ideologically and politically, seriously summarize historical experience and lessons, overcome factional interference, eliminate leftist influence, and firmly maintain political unity with the party Central Committee. He asked them to follow the guidelines of Premier Zhao's report to the Second Session of the Sixth NPC, and to actively and consistently carry out reform after conducting serious study. He asked them to resolutely implement the policy of opening China to the outside world, wage a vigorous struggle against bureaucratism, seriously clean up the three types of people, and successfully build the third echelon. He asked them to acquire a clear understanding of the purpose of party rectification and to oppose the bourgeois liberal trend and resist spiritual pollution, a long-term, fundamental task.

Comrade Bo Yibao first said: My general impression on arriving here is that your work is not bad. Party rectification is entering the stage of comparison and examination. Economic reform has also made new advances. I learned that many questions have been raised at the enlarged meeting of this Standing Committee. I believe that it is a good sign that those at the lower levels are willing and have the courage to raise questions. This shows that the provincial CPC Committee practices democratic leadership. The questions raised must be successfully resolved.

Speaking of the need of correctly treating historical questions, he said: Every party member, and particularly every leader and leading organization, must distinguish right from wrong with regard to line. He must summarize experience and lessons in a thorough manner. This does not mean asking everyone to make self-criticism so as to pass the test. It aims at raising his understanding of Marxism-Leninism-Mao Zedong Thought. It is similar to the Yanan rectification movement, which exposed and criticized the Wang Ming line.

Comrade Bo Yibo pointed out: It is necessary to thoroughly negate the Great Cultural Revolution. Otherwise, one cannot truly understand the correctness of the party line adopted since the 3d Plenary Session of the 11th CPC Central Committee. It is necessary to eliminate the leftist influence and overcome factional interference.

He affirmed the provincial CPC Committee's call: "Systematically eliminate leftist influence, continuously overcome conceitedness and be bold in putting things into practice and blazing new trails!"

Speaking of the need to maintain political unity with the CPC Central Committee, Comrade Bo Yibo said: This does not mean paying lip service to the instructions or decisions of the CPC Central Committee. It means straightening out one's ideas, launching political actions to carry out the instructions and decisions, and setting organizational rules and regulations.

Speaking of the question of reform, he said: Our economic structure must be reformed. At present, people aspire after reform. Whether one truly maintains unity with the CPC Central Committee depends on whether one truly supports reform and works hard to carry out reform. We must resolve to carry out reform in the cities, although the situation there is more complicated than in the countryside.

Speaking of the open-door policy, he said: The open-door policy was unanimously approved by the CPC Central Committee on Comrade Deng Xiaoping's proposal. It is a major policy decision, which conforms to the world's trend and enables China to build socialism with distinct Chinese characteristics. Recently the CPC Central Committee decided to open 14 more coastal cities where policies similar to those in the special economic zones will be implemented. Two of the 14 cities are in Zhejiang, namely, Nongbo and Wenzhou. The provincial CPC Committee has decided to open Hangzhou as a tourist city. The three cities are Zhejiang's three windows to the outside world. This is very good. However, it is necessary to make well-conceived plans and take coordinated steps. These plans must succeed and not go wrong. It is necessary to carry out the work of selecting administrative personnel. It is necessary to select younger comrades who are knowledgeable, capable, and dedicated, and who possess strong party spirit, and to promote them to leading posts.

He emphatically pointed out: It is necessary to have adequate understanding of the grave consequences of bureaucratism. I suggest that in the course of party rectification, time should be found to seriously struggle against bureaucratism. It is necessary to rectify party style and bring about a new social atmosphere.

Comrade Bo Yibo also spoke of the need of stepping up the cleaning up of the three types of people and of building the third echelon. He said: This is a central question of guarding against perfunctoriness in party rectification. It is necessary to guard against training and bringing up the three types of people as successors. There are people who still believe that it was correct to launch the Great Cultural Revolution. Even if they are not among the three types of people and are eligible for work, they must not be trained as successors.

Comrade Bo Yibo concluded: Party rectification must be linked to reform. Party rectification must promote reform. Without dedicated, capable people who are determined to revitalize China, we cannot carry out reform. Reform must be carried out on the basis of party rectification. Through party rectification, we should make all party members and people throughout the country truly believe that the party is glorious, great, and correct, and we should make every Chinese citizen feel that he is working for the revitalization of China. We should imbue all party members and people with pride and with the confidence that the magnificent goal of quadrupling industrial and agricultural output will be achieved by the turn of the century.

JIEFANGJUN BAO STRESSES COLLECTIVE INSPECTION

HK241500 Beijing RENMIN RIBAO in Chinese 24 May 84 p 1

[JIEFANGJUN BAO commentator's article: "The Important Thing Is To Make a Success of Collective Examination" -- first published in 23 May JIEFANGJUN BAO]

[Text] In the stage of making comparisons and inspections in the party rectification effort, we must properly handle the business of collective and individual inspection.

As far as the party committee is concerned, the emphasis must be on a successful collective inspection.

Our Army has introduced the responsibility system of commanders sharing responsibilities under the collective leadership of the party committee. Our organizational principle is democratic centralism. All major problems are collectively decided upon by the party committee. The implementation of the party's line and general and specific policies, a series of directives from the Central Military Commission, and the creation of a new situation in building a modernized and standardized revolutionary Army with Chinese features -- all this depends upon the strong leadership of party committees at all levels, the party committees of various large units in particular. Whether the party committee's ideological line is correct, whether there is a healthy style, whether collective leadership and democratic centralism are in order and so forth -- this is of decisive significance in determining whether Army units can be led to successfully accomplish the respective assignments entrusted to them. We stress doing a good job of collective inspection. By this we mean first proceeding from this basic point.

The current party rectification effort, involving neither the launching of a movement nor the subjection of everyone to a test, focuses on raising consciousness and boosting party spirit and on summing up experiences and lessons. Individual experiences and lessons are important. Collective experiences and lessons are especially so. The advantage of a collective inspection is that it emphasizes not only solving problems, from individual to individual, but also problems involving the whole leading group. It allows the pooling of wisdom, greater accuracy in pinning down the main problems existing in the party committee, and a deeper understanding of them, and the ability to better sum up experiences and lessons and study and improve measures. Such a collective inspection combined with an individual inspection will better help to achieve the aim of party rectification.

A collective inspection and an individual inspection complement each other. The more thorough a collective inspection and the better its quality, the greater the enlightenment and help allowed others and the greater the ability to let an individual understand the direction and main points he or she inspects and to deepen his or her understanding of a given problem. This will also help all the more the conducting of an individual inspection. Similarly, an individual inspection, well done, can in turn further serve to consolidate and correct a collective inspection. We stress giving priority attention to the proper conduct of a collective inspection. This in no way means that an individual inspection is not important. Instead, this calls for still greater consciousness on the part of individuals. The top person and the second person in particular must especially impose strict demands on themselves in accordance with party rectification requirements.

On the basis of a successful collective inspection, an individual inspection should be flexible and not stereotyped, and should emphasize actual results. For example, with some problems solved in a collective inspection, a repetition of similar efforts may be avoided in an individual inspection. Also, in making comparisons and inspections, individuals need not follow the method of examining a problem and immediately tackling it. They can wait until everyone has made an inspection before mutual criticisms are carried out. One must also be patient when some comrades fail to immediately understand certain problems. This, in a certain sense, is also a way of turning chaos into order, as far as the previous practice is concerned. The previous practice was that whether or not there were mistakes and whether they were of a serious or light nature, many inspections must be made and, even so, still "not thorough enough" inspections were considered to have been achieved.

STATE COUNCIL URGES CAPITAL INVESTMENT CUTS

OW242359 Beijing XINHUA Domestic Service in Chinese 0108 GMT 24 May 84

[Text] Beijing, 24 May (XINHUA) -- The State Council approved and circulated a report of the State Planning Commission on 8 May on the results of its investigation into construction project costs exceeding budgetary estimates. In this regard the State Council issued a circular calling on all areas and departments to implement the report in light of actual conditions.

The circular says: An important task in our current capital construction work is to strive to cut down construction costs and investments in capital construction. It is necessary to strengthen management over all construction projects, strictly follow capital construction procedures, do preliminary work on a construction project well, select the best plan, organize construction in accordance with a reasonable time limit for a project, actively effect the economic responsibility system in investment, conscientiously implement the approved budgetary estimates, and resolutely curb the evil practice of exacting indiscriminate fees from construction units in order to obtain increased returns for less investment.

The report of the State Planning Commission says: By 10 February this year, 24 provinces, autonomous regions, and municipalities directly under the central government, and 26 departments throughout the country had submitted their examination reports on 90 construction projects, of which 25, where construction started before 1978, exceeded budgetary estimates by 75 percent. As these projects were begun during the 10 years of domestic turmoil, they exceeded budgetary estimates to a grave degree because their construction was carried out in abnormal conditions, and their management was in a state of chaos. With the exception of the 6 projects begun in 1983, and whose data had been reported as incomplete, 59 of the 65 projects, which were started or restarted after 1978, exceeded budgetary estimates by 34.1 percent. The main reasons giving rise to this situation were improper feasibility studies, too many changes in construction plans, great losses incurred in redoing poor work, improper planning, extension of the time limit for a project, poor quality of design, too many changes in construction content, inaccurate quotas for budgetary estimates, disparity between labor quotas and actual conditions, low expenditure quotas, increase in expense categories and the rate of expenditure, chaotic management of capital construction, increases in the price of construction materials and equipment, violation of regulations, and increased expenses.

In conjunction with the present management of capital construction throughout the country, the report of the State Planning Commission makes six suggestions on strengthening capital construction management, strictly following capital construction procedures, and effectively controlling budgetary estimates for capital construction projects in the future:

1. It is necessary to do a good job in choosing capital construction projects. Before deciding on such projects, it is necessary to conduct a full investigation and submit a report on the technological and economic feasibility of these projects. It is necessary to seek truth from facts in examining designs. Project designs, which are without a careful study of geology and resources or lacking conditions for construction, must not be approved; the amount of investment in construction projects must be carefully examined; it is not permitted to deliberately try to forcefully cut down investment, or to deliberately enlarge investment by budgeting liberally and using funds sparingly.

2. It is necessary to do a good job in design and estimation work and in carefully examining designs. Preliminary designs and general budgetary estimates must be drawn up in strict observance with the approved design plan. No one is permitted to expand the contents and scale of construction projects and raise their standards at will. State departments in charge of examining designs at all levels must do their work well.
3. It is necessary to arrange capital construction plans well, in accordance with a reasonable time limit for a project. Planning commissions at all levels should strive to achieve an overall balance, in cooperation with concerned departments and areas. There should be no breaches in investment and materials for projects inside the capital construction plan, and accessor and main projects must be synchronized. Plans and financial allocations must be arranged in strict observance with the approved general budgetary estimates, and no deliberate departure from the estimates is permitted.
4. It is necessary to institute a contractual economic responsibility system for construction projects. Henceforth, construction projects should be generally undertaken on a contractual basis, in accordance with the estimates (or budget). After a contractual economic responsibility system is instituted, it is necessary to try out the system of inviting public bids for construction projects. Both construction units and units in charge of construction should strengthen their leadership, improve management, prevent waste, and strive to lower construction costs.
5. It is necessary to resolutely put an end to the evil practice of exacting indiscriminate fees from construction units.
6. It is necessary to vigorously strengthen fundamental work concerning the standard, norm, and quota in the construction of various types of projects, to strive to build a basically complete set of standards and norms, and complete the work of revising the estimate and budget quotas for general and specialized use before 1985. It is necessary to draw up a unified expense standard as quickly as possible, in order to create conditions for raising the quality of design estimates, and for improving capital construction management.

STATE COUNCIL APPROVES SCIENCE MANAGEMENT REFORMS

OW241101 Beijing XINHUA in English 1038 GMT 24 May 84

[Text] Beijing, May 24 (XINHUA) -- The State Council has approved the first experiments in implementing a paid contract system in China's technology research institutes. Institutes involved in the test program will become self-supporting, with no operating expenses supplied by the government.

According to the decision, they will establish funds for science and technology development. The institutes will then be allowed to sign contracts to help raise funds for assigned research projects. They will also sign agreements on research tasks with enterprises, although state research quotas will be given first priority. The institutes will have full rights to employ and advertise for staff members, increase workers' wages, and dispose of its income according to state regulations. On retirement, their workers will enjoy pensions and other benefits the same as those granted to their colleagues in state-owned units.

In order to promote the reforms, the government will give the experimental units priority on low-interest loans from state banks and allocations of foreign exchange to import equipment, spare parts, and components. Taxation will also be waived on products under trial production.

The approval was based on a document drafted and submitted by the State Science and Technology Commission and the State Commission for Restructuring Economic System. The two commissions have issued a circular urging their subordinate units to carry out the document.

'OPEN DOOR' NOT THREAT TO SPIRITUAL CIVILIZATION

HK220757 Beijing RENMIN RIBAO in Chinese 18 May 84 p 5

[Article by Teng Fu: "The Policy of Opening to the Outside World and the Building of Spiritual Civilization?"]

[Text] The implementation of the open-door policy is beneficial to speeding up economic construction. This theory is being understood by more and more people. But what effects does the open-door policy have on building socialist spiritual civilization? Some people say that we have gained materially but lost spiritually. These people maintain that the open-door policy has negative effects on building socialist spiritual civilization. To have a clear understanding of this problem, let us take a look at the facts.

The open-door policy has been in effect for more than 5 years since the 3d Plenary Session of the 11th CPC Central Committee, and some zones have been opened up in which the open-door policy is implemented on a broader scale. If we take a look at the Shenzhen Special Economic Zone and the Zhujiang Delta zone, we will discover that not only is their economy thriving, but their spiritual civilization work is also progressing satisfactorily.

A large number of schools, hospitals, libraries, and other cultural facilities have emerged like mushrooms. Some facilities are equipped with advanced technology.

Due to frequent contacts with advanced world technology and modern knowledge, our people feel that we are lagging behind, and because the new management system has provided more opportunities for employment and to become well off, more and more people have undertaken the study of advanced world technology and modern knowledge. In particular, young people are beginning to eliminate the habit of despising knowledge. The number of troublemakers is falling, and the number of people who are eager to enroll in schools or to take part in sparetime training courses is increasing.

The situation in which people lacked knowledge and information is beginning to change. Even peasants are beginning to discuss the international market situation and the commercial situation and technological in the world, as many of their products are in direct contact with the international market.

Social order is not changing for the worse, but for the better.

Because production has developed and livelihood has improved, more and more people are in favor of the party's present policy and the socialist system. They generally call the present situation a "golden time."

Facts have proven that implementing the open-door policy under the socialist system and the leadership of the party is not only beneficial to building material civilization, but can also play a positive role in building spiritual civilization.

Inevitably the implementation of the open-door policy will court foreign ideological and cultural influence. But we should also know that influence is mutual. In the course of implementing the open-door policy, China's influence in the world is also increasing. Regarding foreign ideological and cultural influence, it is necessary to analyze it in a specific manner; we should not oppose it indiscriminately.

Some of the influence is beneficial to our country; for example, the influence of scientific knowledge, advanced technology, and fine culture. We should not oppose such an influence but should energetically absorb it.

Some comrades cannot bear the sight of things that are not actually of a "bourgeois" nature. For example, nations and regions differ in dress and way of life, but such differences are not of a class nature. Since we have opened the door to foreign countries, we should be ready to allow people to get in touch with things different from ours. Getting in touch with them does not mean completely absorbing them. We believe that such a great nation as ours, with a civilization of several thousand years, will not lose its characteristics in its contacts with foreign things. We should not magnify the concept of "bourgeois influence" and "capitalist influence," so as to prevent the labeling of the things without a class nature as things with a class nature.

Of course, certain things are reactionary and extremely decadent, such as anti-communist, antisocialist propaganda, espionage activities, smuggling, gambling, and prostitution. We must deal relentless blows at all these. In the course of implementing the open-door policy, if we fail to exercise good management, such bad things will certainly increase. We should be aware of this. However, we should not refrain from implementing the open-door policy for fear of a slight risk; still less should we lay the blame on the implementation of the open-door policy for the existence and occurrence of such things.

Marxism emerged in the capitalist environment and grew in struggle. It has always been able to stand various tests. It is absolutely not a Marxist viewpoint to think that only by separating ourselves from the capitalist world can proletarian purity be maintained and socialist spiritual civilization be built. We should affirm and bring into play the positive role of the open-door policy in building socialist spiritual civilization. In addition, we should adopt effective measures, such as strengthening ideological and political work, exercising strict discipline and management, and strengthening the legal system, so as to resist and oppose negative influences. We should neither overlook nor magnify negative influences. Overlooking them will prevent us from effectively resisting their harm, and magnifying them will be detrimental to building socialist spiritual civilization. In a sense, only by having a correct understanding of the relationship between implementing the open-door policy and building socialist spiritual civilization can the open-door policy be smoothly carried out.

RENMIN RIBAO ARTICLE ON DEVELOPING NUCLEAR POWER

HK250355 Beijing RENMIN RIBAO in Chinese 17 May 84 p 5

[Article by Zuo Hu: "It Is Imperative To Develop Nuclear Power in Our Country"]

[Text] Changing the existing structure of energy resources is a major question which has to be resolved in the new technological revolution. According to forecasts of some international specialized institutions, the world's structure of energy resources will undergo the following changes in the next 50 years: with regard to the proportion which maintains the balance between supply and demand in terms of energy resources, the proportion of petroleum and natural gas, because of the limitation in source conditions, will decrease by degrees from the present-two-thirds or so to less than 40 percent; the proportion of coal will rise, but it is not likely that the proportion will exceed one-third due to the restraints of environmental protection conditions; water power can continue to maintain its proportion of about 5 percent; solar energy and other kinds of regenerative energy (such as biological energy, wind energy, and geothermal power) can increase by degrees to 3 - 5 percent; and nuclear power will increase by degrees from the existing 2 - 3 percent to more than 20 percent.

In the forecasts, no excessively great hopes are placed on the contribution of solar energy and other kinds of regenerative energy. This is because it will require a much longer time for these new technologies of energy resources to develop to a stage which will enable them to acquire a competitive edge and replace the traditional energy technology on a large scale.

The grounds on which people predict the possibility of replacing petroleum and natural gas on a large scale by nuclear energy are: 1) Generation of power by nuclear energy is already a mature technology. Practice proves that nuclear power stations can compete with thermal power stations economically, and they affect the environment far less than the latter; 2) the second-generation nuclear power stations, or the fast breeder reactor power stations, can be expected to be popularized around 2000. Through employing fast breeder technology, the utilization value of uranium resources can exceed the existing exploitable coal resources; 3) the proportion of electric power will continue to rise among the commodity power resources; and 4) coal, petroleum, and natural gas, in addition to being used as fuels, are raw materials for various kinds of chemical products serving the needs of people in food, clothing, and articles for daily use, while the only use for uranium which is beneficial to human society is to serve as fuel for producing electricity.

The technology which made use of nuclear energy emerged in the 1940's, attempts to produce electricity with it began in the middle of the 1950's, and its industrial popularization was in the 1960's. Nuclear power is a technology which developed along with computers in the same period, and is an organic component part in the new technological revolution. Since the 1970's, nuclear power stations have become a major pillar in the power industries of some countries, and their proportion in the total output of production of electric power and primary energy resources is increasing steadily.

It is also imperative for our country to develop nuclear power. Our coal and water resources are rich: Coal reserves rank next only to the USSR and the United States, and our water resources rank first in the world. However, the distribution of the energy resources is not even: Over 60 percent of the coal resources are in north China, over 70 percent of the water resources are in the southwest of the country, and most is in regions where industries are not well developed, while the industrially developed regions lack energy resources, thus creating a situation in which electricity is transmitted from the west to the east, and coal is transported from the north to the south. This condition has brought about great difficulties in the delivery of electricity and coal, which puts added pressure on transportation. Therefore, it is necessary to set up nuclear power stations in areas lacking energy resources in order to change this irrational distribution. Investigations and studies in various fields have also proved that the overall cost for developing nuclear power is economical and rational. At present, many countries in the world have realized the objective of making the cost of producing nuclear power lower than that of producing electricity by coal.

Our country already possesses the basic conditions for developing nuclear power. In the last 20-odd years, our country has ascertained the reserves of nuclear resources which are sufficient for supplying a considerable number of nuclear power stations, built a rather large scale of nuclear technological equipment, trained a strong contingent of nuclear technological personnel, and accumulated experience in utilizing nuclear energy. Our developing nuclear power is aimed not only at the present, but also at the future. It is a measure which has strategic significance and which has to be adopted to meet the challenge of the new technological revolution. Our country is not a rich country in terms of per capita energy resources.

Therefore, developing nuclear power to change the structure of energy resources and to rationalize it is a matter of great significance which has much to do with ensuring the supply of energy resources in the next half century or so. The construction of nuclear power in our country has already been delayed, and it is essential to catch up without losing any more time.

STATE COUNCIL ENVIRONMENTAL PROTECTION DECISION

OW221437 Beijing XINHUA Domestic Service in Chinese 0145 GMT 20 May 84

[Text] Beijing, 20 May (XINHUA) -- The State Council on 8 May made a decision on environmental protection work.

The decision says: A basic national policy in China's socialist modernization drive is to protect and improve the living ecology and environment and prevent environmental pollution and damage.

The main contents of the State Council decision are as follows:

-- A committee on environmental protection is to be set up under the State Council. Its tasks are to study and approve environmental protection principles and policies, set forth planning requirements, and lead, organize, and coordinate the environmental protection work in the whole country. The State Planning Commission, the State Economic Commission, and the State Science and Technology Commission will be responsible for doing a good job in balancing environmental protection overall while drawing up plans for national economic and social development, promoting production and construction, and developing science and technology. Industry, communications, agriculture, forestry, fishery, oceanography, health, foreign trade, tourism, and other departments concerned, as well as PLA units, will be responsible for doing a good job in preventing and controlling pollution and protecting the ecology of each department. All the aforementioned departments should set up their own corresponding environmental protection organization. The people's governments in all provinces, autonomous regions, and municipalities, as well as in all cities and counties, must assign a comrade to specially take charge of environmental protection work. Provinces, cities, and counties where industry is concentrated, environment is seriously polluted, or the ecology is damaged may set up an environmental protection administrative organ at the bureau level. People's governments in districts, towns, and townships should also assign full-time or part-time cadres to supervise the work. Large- and medium-sized enterprises, institutions, and units concerned should set up environmental protection organizations or assign special personnel to do the work in accordance with actual needs.

-- New, expansion, and renovation projects, technical transformation projects, and all engineering and natural development projects, which might cause environmental pollution or damage, must strictly implement the measures to prevent and control pollution and ecological damage and comply with the regulation to simultaneously design, construct, and put into production the principal parts of a project. Projects under construction or already put into operation without antipollution measures must, without exception, take remedial measures. People's governments at various levels must strengthen the leadership over industrial enterprises run by towns, townships, and neighborhoods in order to effectively prevent and control environmental pollution and damage. It is necessary to earnestly protect the agricultural ecology and environment. Environmental protection departments at various levels must work together with departments concerned in popularizing ecological agriculture and preventing pollution in and damage to the agricultural environment.

-- Environmental protection departments must take decisive action together with economic management departments to resolutely renovate old enterprises with poor economic results and serious pollution and, when necessary, shut down or suspend some of the enterprises.

-- It is necessary to adopt the policy of comprehensive utilization. Factories, mines, and enterprises are exempted for 5 years from turning over to the state profits earned from products developed from comprehensive utilization to prevent and control pollution. They can retain the profits to continue comprehensive utilization to control pollution. This regulation will remain valid after the change from profit delivery to taxation has taken place. Factories, mines, and enterprises are exempted from construction taxes when they use self-collected funds and environmental protection subsidies to build antipollution projects or build and move to new facilities because of pollution. Enterprises may apply, in accordance with regulations, for bank loans on favorable terms to fund pollution prevention and control or comprehensive utilization of waste gas, waste water and industrial residue.

The State Council Committee on Environmental Protection has already been set up. Li Peng is the chairman and Song Ping, Li Ximing, Zhao Dongwan, and Zhao Weichen are vice chairmen.

STATE COUNCIL WORK GROUP ARRIVES IN LHASA

HK230337 Lhasa Xizang Regional Service in Mandarin 1130 GMT 18 May 84

[Text] A work group dispatched by the advisory group for Xizang's economic work under the State Council and a work group dispatched by the State Planning Commission, totaling 11 persons, arrived in Lhasa on 17 May.

In accordance with the instruction of the central leading comrades, the advisory group for Xizang's economic work under the State Council has dispatched the work group to Xizang to assist the regional People's Government in examining, approving, and carrying out the construction projects in commemoration of the 20th anniversary of the founding of the Xizang Autonomous Region and to investigate and inspect the situation concerning Xizang's economic construction.

Meanwhile, in accordance with the instructions of the central leading comrades and the opinions of the advisory group for Xizang's economic work under the State Council, the State Planning Commission has also dispatched a work group to Xizang to acquaint it with and assist the regional People's Government in examining and carrying out the construction projects in commemoration of the 20th anniversary of the founding of the Xizang Autonomous Region, and in examining and helping to implement the standard and use of the funds of relevant construction projects.

When the work group of the advisory group for Xizang's economic work under the State Council and the work group of the State Planning Commission arrived in Lhasa, (Liu-de-jin-wang), deputy secretary general of the regional People's Government, greeted the members of the two work groups at the airport. Yesterday afternoon, Duojiacaiden, vice chairman of the regional People's Government, and (Wang Rianxin), secretary general of the regional People's Government, called on the comrades of the two work groups and held a discussion meeting with them.

FUJIAN HOLDS PARTY RECTIFICATION MEETING

OW231340 Fuzhou Fujian Provincial Service in Mandarin 1130 GMT 22 May 84

[Excerpts] The provincial party committee's office on party rectification called a meeting on the morning of 21 May. It was attended by leading comrades of the second group of units directly under the province to unfold party rectification and the party rectification guidance teams from six departments -- propaganda and education; political and legal affairs; planning; agriculture, forestry, and fishery; industry and commerce; and foreign economic relations and trade.

(Yang Huaqi), deputy head of the provincial party committee's office on party rectification, said at the meeting: Since 20 April, when the provincial party committee made arrangements for the second group of units to study the party rectification documents, leaders of the majority of the units have paid keen attention to party rectification.

(Yang Huaqi) proposed the following specific requirements for doing a still better job in studying the party rectification documents: It is necessary to first organize party members to read through the documents and then hold discussions on special subjects. It is necessary to penetratingly study and grasp the meaning of the following special subjects in light of the actual situation in each unit and of each individual: 1) the necessity and urgency of party rectification; 2) the unification of thinking; 3) the complete negation of the Cultural Revolution; 4) the rectification of style; 5) the strengthening of discipline; 6) the purification of organization; 7) raising the understanding of the party's nature, program, and tasks, the standard of party members, and the qualifications of party cadres; 8) correcting mistakes in the course of party rectification, especially the investigation and handling of serious bureaucratic attitudes in economic operation and management that have incurred grave damages to the state; and 9) criticism and self-criticism.

Vice Governor Wang Yishi spoke at the meeting on how the economic departments in the province should conscientiously investigate and handle problems of serious bureaucratic attitudes in economic work that have incurred grave damages to the state.

In conclusion, Gao Hu, head of the provincial party committee's office on party rectification, spoke. He stressed the need to strengthen leadership over the party rectification work, rectify the style of studying the party rectification documents, and persistently correct mistakes in the course of party rectification.

Comrade (Mao De), deputy leader of the liaison group of the Central Commission for Guiding Party Rectification in Fujian, was present at the meeting.

Namelists of the party rectification guidance teams of all departments, which had been approved by the provincial party committee, were announced at the meeting.

SHANDONG'S SU YIRAN EXAMINES PARTY RECTIFICATION

SK240241 Jinan Shandong Provincial Service in Mandarin 2300 GMT 23 May 84

[Excerpt] On the afternoon of 23 May, the provincial CPC Committee held a meeting at the Zhenzhuquan Auditorium with the participation of party-member leading cadres of the provincial organs and of various prefectures and cities. On behalf of the Standing Committee of the provincial CPC Committee, Su Yiran, secretary of the provincial CPC Committee, made a collective comparison and examination on party rectification. Comrade Su Yiran also made an individual comparison and examination. Comrade Li Changan, deputy secretary of the provincial CPC Committee, presided over the meeting.

Attending the meeting were Standing Committee members of the provincial CPC Committee; members of the Central Advisory Commission staying in Jinan; Standing Committee members of the provincial Advisory Commission; Standing Committee members of the provincial Discipline Inspection Commission; Standing Committee members of the provincial People's Congress; members and advisors of the leading party groups of the provincial People's Government and the provincial CPPCC Committee; members of the leading party groups, members, and advisors of the CPC committees; secretaries of various section CPC committees under various departments, commission, offices, bureaus, and companies at the provincial level; former party-member cadres at the department and bureau levels who resigned from their posts as a result of organizational reform; secretaries of various city CPC committees; secretaries of CPC Committees of various major enterprises; secretaries of CPC committees of universities and colleges in Jinan; and party rectification liaison men dispatched by the provincial CPC Committee to its subordinate organs. The meeting participants totaled 1,200 people. Also attending were comrades of the liaison personnel dispatched to the province by the Central Party Rectification Guidance Commission.

On the basis of conscientiously studying party rectification documents and extensively soliciting the opinions of various localities, departments, units, and nonparty figures, party rectification work of the Standing Committee of the provincial CPC Committee entered the comparison and examination stage at the end of March. Since then, centering on fulfilling the general task and goal for the whole party and creating a new situation in all fields of Shandong's work, the provincial CPC Committee Standing Committee has sponsored the meeting of secretaries on party rectification activities and some Standing Committee meetings to review and examine its work in line with the party constitution, the CPC Central Committee's decision on party rectification, the instructions of the CPC Central Commission for Guiding Party Rectification, and the guidelines of the fourth provincial party congress. At the same time, the Standing Committee of the provincial CPC Committee has revealed some problems and conducted criticism and self-criticism.

SHANDONG MEETING URGES END TO MISUSE OF FUNDS

OW230735 Beijing XINHUA Domestic Service in Chinese 0127 GMT 22 May 84

[By reporter Lu Dianluo]

[Excerpts] Jinan, 22 May (XINHUA) -- At a recent Shandong provincial meeting on the work of settling unemployed urban youth, many representatives demanded an end to wanton transfers of funds from youth labor service stations and an end to the malpractice of regarding youth labor service stations as a "source of income" for the sponsoring organizations.

In recent years enterprises and institutions in Shandong Province have set up many youth labor service stations in order to create more jobs. In Jinan City alone, there are more than 1,000 youth labor service stations, which have placed more than 20,000 unemployed youth. In 1983, the total volume of business of youth labor service stations in Jinan City amounted to 110 million yuan. They earned 8 million yuan of profits and delivered 2 million yuan of taxes to the state. However, some sponsoring organizations, regarding the stations as their own "source of income," have wantonly transferred, used, or misappropriated these stations' funds.

After listening to the representatives' opinions, the responsible persons from the departments concerned pointed out: The sponsoring organizations must stop their erroneous practice of wantonly transferring, using, or misappropriating funds of youth labor service stations.

HENAN DEPARTMENT DEALS WITH BUREAUCRATISM

HK221450 Zhengzhou Henan Provincial Service in Mandarin 1230 GMT 20 May 84

[Excerpts] Over the past few days, under the guidance of the work group of the Central Discipline Inspection Commission and the work group of the provincial Discipline Inspection Committee, the party group of the Henan Provincial Department of Foreign Economic Relations and Trade has vigorously implemented the spirit of the instructions of the leading comrades of the central authorities on resolutely investigating and dealing with bureaucratism, as well as the spirit of the telephone conference of the Ministry of Foreign Economic Relations and Trade. The party group has resolved to continue making efforts on the basis of its previous work and to penetratingly and thoroughly expose, and thoroughly and fearlessly investigate the large economic losses caused by serious bureaucratism and the malpractice of taking advantage of power to seek personal gain.

After the Ministry of Foreign Economic Relations and Trade held a telephone conference on 14 May, the party group of the provincial Department of Foreign Economic Relations and Trade immediately conveyed and implemented the spirit of the conference. The members of the party group repeatedly studied the spirit of the relevant instructions of the leading comrades of the central authorities. They further enhanced their understanding of the important significance of investigating and dealing with bureaucratism. They unanimously held: The bad work style of bureaucratism and of taking advantage of power to seek personal gain causes large economic losses to the state, brings about the worst political influence on the party and the people's government, and seriously affects the development of the national economy and the four modernizations. As far as every Communist Party member is concerned, he who commits these mistakes lacks party spirit and has a seriously impure party spirit. This bad work style is incompatible with the objective of struggle proposed by the 12th NPC Congress. Therefore, with the spirit of party rectification, we must vehemently expose the bad habit of bureaucratism and the incorrect actions of taking advantage of power to seek personal gain.

With a view toward doing this work well, the party group of the department has decided to set up a leadership group with an office subordinate to it. Special people have been assigned to the leadership group. Forces will be concentrated on the investigation of the cases in regard to large economic losses caused by bureaucratism and the malpractice of taking advantage of power to seek personal gain. It has been decided that stress will be put first on the investigation of the textile company, grain and oil company, and native products company. It is necessary to use the experience of selected points to promote work in the entire area so as to further develop the work of investigating cases.

On 18 May, the party group of the Department of Foreign Economic Relations and Trade held a telephone conference with all departments of foreign economic relations and trade and affiliated organizations throughout the province to convey to all workers engaging in work concerning foreign economic relations and trade the relevant instructions of the leading comrades of the central authorities and the spirit of the telephone conference of the Ministry of Foreign Economic Relations and Trade. The conference demanded: The foreign trade departments of all prefectures, cities, and counties must correct defects before rectification is carried out and must take at least a month to concentrate energy on simultaneous study, exposure, and investigation. The reports on investigation must be submitted to the provincial Department of Foreign Economic Relations and Trade before the end of June.

The party group of the provincial Department of Foreign Economic Relations and Trade has also pointed out: While foreign trade departments at all levels are investigating cases, they must do well in producing and procuring exported commodities this year, and the quotas to be fulfilled must not be lower than last year.

LI LIAN SPEAKS ON INTELLECTUALS IN HEILONGJIANG

SK240441 Harbin Heilongjiang Provincial Service in Mandarin 1000 GMT 23 May 84

[Text] In his speech to the provincial intellectuals' work conference on 23 May, Li Lian, secretary of the provincial CPC Committee, pointed out that we must take the development of intellectuals as one of our strategic priorities and give prominence to it in the course of economic construction.

He set forth: We should boldly give high payment and bonuses to the intellectuals who make great contributions and bring into full play their functions in the four modernizations.

Comrade Li Lian said: At a recent discussion on our province's future development strategy, the Standing Committee of the provincial CPC Committee clearly set forth a slogan calling for "conducting reform and transformation, making development, and implementing an opening-up policy to protect the country and the people." That is a specific principle in our province's work for the near future. If we do not have knowledge, do not understand science, and do not handle affairs in accordance with the objective law, it is impossible to conduct reform and transformation, develop intellectuals, and implement an open-up policy. In order to achieve our province's economic and technological development and to accept the challenge of a new world technological revolution, we must attach prime importance to developing intellectuals.

With regard to the issue on how to carry out the functions of intellectuals, Comrade Li Lian set forth three opinions.

How can we carry out the functions of the intellectuals who have entered the leading bodies? Judging from the current situation, we must handle well the following relations: 1) Are intellectuals asked to solve certain specialized problems or to play a role as a leading policymaker? If we only let them solve specific professional and systematic problems all day long, but forget to attend to big events, and neglect their role as a leading policymaker, we will take the branch for the root and lose the original meaning of promoting intellectuals to leading bodies. 2) Are they asked to assume heavy duty or to be assistants? Those intellectuals who have entered the leading bodies have carried out certain functions. However, some of them only take charge of less important work and are not assigned heavy burdens. We cannot have this situation last for a long time. After they have mastered certain jobs and have achieved certain experience, we must boldly promote them to principal leading positions, and change their minor roles into leading roles. By so doing we can make them grow soon, realize the replacement of the old by the new, and really carry out their leading roles. 3) Are they asked to use new scientific methods to change old habitual ways, or to become suitable to our particularly unrealistic mode of thinking and work style? Last year I wrote an article on the fact that the intellectuals entering leading bodies may create a new feature of leading body structure as well as create a new mode of thinking and work style. The meaning was that they will use modern scientific knowledge and scientific way for conducting modernizations and large-scale production to change our long-term habitual ways of thinking and leading work style that conducted small production and handicraft industry and to basically influence and arouse the whole leading bodies to create a new situation in line with the demands of the modernization.

With regard to the issue on how to carry out the functions of those intellectuals who do not undertake leading jobs, Comrade Li Lian said: Our stress on promoting excellent intellectuals to leading bodies does not mean that only promoting them to leading cadres' post is to implement the policy towards intellectuals and to carry out their functions, or that the units have implemented the policy towards intellectuals only by promoting a few intellectuals to leading posts. This is a one-sided understanding about the policy towards intellectuals. Leading cadres at all levels as well as intellectuals themselves are not allowed to have this idea.

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The main context of implementing the policy toward intellectuals is to return their original status and positions to them, to make rational arrangements and use of the intellectuals with specialities, to arouse their enthusiasm, to exploit their wisdom and intelligence, to give them a chance to display their abilities, contribute to the country, and have suitable posts, to show concerns about their livelihood, to get rid of their fear of being stabbed in the back and to make them be devoted to the four modernizations at all trades and professions and on all fronts.

Comrade Li Lian set forth in his speech: In order to carry out the functions of the intellectuals, we must bravely give high payments and bonuses to the intellectuals who have made great contributions. Comrade Li Lian said: The principle of distribution in a socialist society is distribution according to one's ability and one's work. At present, egalitarianism in distribution generally exists. This is not in keeping with the principle of distribution according to one's work. We must resolutely eliminate and thoroughly reform the principle. By so doing we can arouse the enthusiasm of the people.

Rural areas conducted reforms first and made initial achievements. Urban areas also conducted reforms. This is the trend of the times and the desire of the people.

The intellectuals are engaged in mental labor and their work is complicated. Marx called the intellectuals the most reliable formation of wealth. They are the outcome of wealth as well as wealth producers. That is to say that complicated labor is not the same as simple labor. Their contributions to the society cannot be calculated in terms of quantity, but should be calculated in terms of quality. A good suggestion may accelerate the pace of renewal of products. A new reform may improve technology, reduce cost and improve economic results. A great invention and creation may bring the greatest material wealth to the entire society. These not only will benefit the present but also will influence the future generations. So it is reasonable to give high payments and bonuses to the intellectuals who have made contributions. While acknowledging the intellectuals who have made great contributions and who have brought greatest economic results to the state and enterprises, we should make people become envious and urge them to follow the intellectuals. Only by so doing can we eliminate the stagnant situation, caused by egalitarianism. We should make the people try to become better over others in friendly competitions to promote economic development, and to promote all trade and professions to create new situations in the course of reforms.

Attending the conference were leading comrades of the provincial CPC Committee, the provincial Advisory Commission, the provincial government, the Standing Committee of the provincial People's Congress, the provincial CPPCC Committee and the provincial Discipline Inspection Committee.

CONFERENCE ON FIGHTING DROUGHT HELD IN LIAONING

SK250537 Shenyang Liaoning Provincial Service in Mandarin 2200 GMT 24 May 84

[Excerpt] On the evening of 24 May, the provincial Agricultural and Animal Husbandry Department held a provincial telephone conference on summer hoeing. The conference called on the large number of cadres and people in rural areas to attend to combating drought in order to ensure growth of seedlings, to fill the gaps of seedlings, and to ensure summer hoeing, in the course of completing the spring sowing, so as to ensure a bumper crop this year. Speaking at the conference were Sun Qi, deputy governor, and (Chen Guoyong), director of the provincial Agricultural and Animal Husbandary Department.

In speeches, they said: This year, our province's spring plowing and sowing proceeded under low temperatures and under the situation in which the western province was hit by serious drought and the eastern province was hit by waterlogging.

Inspired by the guidelines of Document No 1 of the CPC Central Committee, the large number of masses have launched a tenacious struggle against drought and other natural calamities. Most areas in the province have conducted spring sowing in a timely manner.

However, what merits our attention is that the ravages of drought are becoming more serious, and some 6 million mu of fields in the province have not been sown. In some fields, the seedlings are still covered by dry soil. If there is no rain in the near future, the seedlings on these fields will be unable to germinate. In some other plots, there are many uneven stands because of missing seedlings, and third-grade seedlings cover a large area of fields.

According to the analysis of meteorological departments, in August there will be sustained low temperatures and there will be more other natural calamities than in a normal year. These problems will adversely affect the agricultural harvest. Therefore, cadres and peasants in the drought-stricken areas should acquire a correct understanding of the situation of weather, farmland, and seedling growth, further foster the idea of combating drought to strive for a bumper crop, be ready to meet the possible complicated cases in production, and take the initiative in production.

LIAONING ISSUES NOTICE ON PROTECTING HOUSEHOLDS

SK180217 Shenyang Liaoning Provincial Service in Mandarin 1030 GMT 17 May 84

[Text] On 9 May, the Liaoning Provincial People's Government formally issued a 15-article notice on protecting rural specialized households to accelerate the development of commodity economy.

The notice clearly states that the departments concerned and personnel at all levels should vigorously support specialized households, respect their incomes earned in labor work, and should practically protect the safety of their property and family members. No one is allowed to discriminate against specialized households, to make things difficult for them, to impose various restrictions at various levels on them, to apportion them the expense arbitrarily by concocting various pretexts, and to get petty advantages at their expense by seizing various opportunities. Specialized households have the right to lodge complaints against those who have infringed upon their legitimate interests and rights. The departments in charge of the disposition of the people's petition letters and visits and judicial organs should earnestly accept and hear their complaints and should investigate and deal with their cases in a timely manner. Serious cases should be sternly dealt with.

MEETING ON RADIO, TELEVISION WORK HELD IN GANSU

HK230405 Lanzhou Gansu Provincial Service in Mandarin 1100 GMT 22 May 84

[Excerpts] The eighth provincial conference on radio and television work was held from 18 to 22 May. The conference required that CPC committees and governments at all levels strengthen leadership over radio and television work so as to strive for a marked improvement in the quality of propaganda in 3 to 5 years and a great development in radio and television work, and make it a modern and powerful weapon in educating and mobilizing the people of all nationalities in our province in the building of socialist material and spiritual civilizations.

After affirming the achievements over the past few years, the conference pointed out that the present situation of radio and television work in our province still cannot suit the development of the political and economic situation of the whole country and whole province and satisfy the needs of the party and the people. Therefore, CPC committees and governments at all levels must strengthen leadership over radio and television work, and radio and television departments at all levels must strengthen propaganda work, especially propaganda on economic work.

More than 150 people attended the conference, including responsible comrades of provincial, city, prefectural, and county departments in charge of radio and television work and responsible comrades of relevant departments of the provincial CPC Committee and provincial government. Liu Bing, deputy secretary of the provincial CPC Committee, attended and spoke at the meeting.

In his speech Comrade Liu Bing said that this meeting was very important, and the participants were required to adopt feasible measures after returning to their work posts to implement the spirit of the conference so that the quality of radio and television propaganda can be greatly improved and the work can be greatly promoted.

In conclusion, Comrade Liu Bing made some suggestions on implementing the spirit of relevant central documents and further doing a good job in radio and television work.

1. Party and government departments at all levels must attach importance to radio and television work and hold meetings at regular intervals to study and solve the problems and difficulties in developing radio and television undertakings.
2. Radio and television departments must do a good job of propaganda. Chief leaders of these departments must concentrate their main efforts on propaganda work. Our propaganda work must reflect a high degree of party spirit.
3. It is necessary to work out plans for the development of radio and television undertakings.
4. It is necessary to strengthen the ranks of radio and television workers. All workers on the radio and television front, especially leading cadres at all levels, must study both politics and professional knowledge and go deep into realities to make investigation and study so as to make contributions to fulfilling the tasks assigned by the party in radio and television work and building socialist material and spiritual civilizations.

LI ZIQI ON GANSU SUPPLY, MARKETING REFORM

HK211219 Lanzhou Gansu Provincial Service in Mandarin 1100 GMT 19 May 84

[Excerpts] The third congress of Gansu provincial supply and marketing cooperative members opened in Lanzhou this morning.

Li Ziqi, secretary of the provincial CPC Committee, spoke at the opening ceremony. He said he hoped all workers of the supply and marketing departments and affiliated organizations would emancipate their minds, be bold in carrying out reforms, raise economic results, enliven the circulation channels, and create a new situation in our province's supply and marketing work.

In his speech, Comrade Li Ziqi demanded: The supply and marketing departments must do well in grasping party rectification, must conscientiously eliminate leftist influences, must relax policies, and must have a free hand in boldly carrying out reform in the areas of management labor and personnel, and the system of wages. We must break the system of eating out of the same big pot, must eliminate egalitarianism, and must mobilize the workers' enthusiasm. Every year, we must do several real and good things for the masses of peasants.

Comrade Li Ziqi said: The work of the supply and marketing cooperatives must be subordinated to the general task and the general target of the party. They must do service work well to help rural areas develop commodity production and to develop specialized households and key households. They must help the market become prosperous and must help peasants become rich.

He said: In the wake of the development of rural commodity production, some places have had the problem of difficulties in purchase and sales. The supply and marketing cooperatives are the economic organizations of the masses of peasants and basically represent the interests of the masses of peasants. They must wholeheartedly get rid of the masses' worries and difficulties. We have no power to restrict peasants' development of production. Our task is to determine how to promote the sale of their products and how to promptly supply them with the materials, technology, information, raw materials, and means of production and livelihood which they need. The supply and marketing cooperatives must give play to their role as a channel of the circulation of commodities and must do everything possible to solve peasants' problems of difficulties in purchase and sales. In addition, we must pay attention to the development of township and town enterprises and the development of the processing of agricultural, sideline, and special local products and must fully exploit and utilize local natural resources to enliven the economy and raise economic results.

In his speech, Comrade Li Ziqi also demanded: The supply and marketing departments must improve management, increase profits and taxes, reduce goods kept long in stock, and curb losses and waste. Moreover, they must contribute toward the importation of technology and qualified persons.

Leading comrades of the provincial CPC Committee, the provincial Advisory Committee, the provincial Government, the provincial People's Congress, and the provincial CPPCC Committee attended today's opening ceremony. Representatives from the all-China general supply and marketing cooperative and commerce departments and supply and marketing cooperatives of four provinces and autonomous regions, comprising Shaanxi, Ningxia, Qinghai, and Xinjiang, are attending the congress and read their congratulatory messages.

LANZHOU TAKES PRECAUTIONS AGAINST SUMMER FLOODS

OW221958 Beijing XINHUA in English 1906 GMT 22 May 84

[Text] Lanzhou, May 22 (XINHUA) -- The excessive rainfall in spring this year and the earlier arrival of the high-water season in the Weihe River, the largest tributary of the Yellow River may lead to possible floods in the coming summer.

To ensure the safety of factories and government offices and the more than 100,000 dwellers in Baoji, Shaanxi Province, a 2,000 meter-long and nine meter-high dam is being built along a section of the Weihe River cutting through the city proper. In another development, the first stage construction of an anti-flood dam in Gansu Province' Wudu County, southwest of Baoji, was completed ahead of time. The project, involving 3,000 militias and P.L.A. soldiers for 45 days, will strengthen anti-flood efforts in the county seat and nearby towns sitting near Bailong and Beiyu Rivers.

LI XUEZHI DISCUSSES WORK STYLE IN NINGXIA

HK240531 Beijing RENMIN RIBAO in Chinese 22 May 84 p 5

[Article by Li Xuezhi: "Taking the Fulfillment of the Party's General Task as a Pre-requisite" -- passages in uppercase published in boldface]

[Text] An incident took place in Ningxia last year: Lingwu, a state-run farm, reaped a bumper crop in grain; there were 8 million jin of surplus grain to be sold after fulfilling close to 300 percent of the state purchasing quota. Because the storage capacity of the local grain department was filled to capacity, and the farm itself had no capacity to store surplus grain, the Lingwu State Farm had to find a way out. They sold over 510,00 jin of rice to other provinces and regions at negotiated prices. However, Lingwu County price department held that this had violated the stipulations in relevant documents issued by higher authorities, and handled the case of Lingwu state farm by imposing a fine. When the news spread and disputes arose in the rural areas, some state farms proposed: As there were difficulties in selling grain, and it was not permitted to sell grain at negotiated prices, they would plant less grain in the future. On 24 February this year, the newspapers and radio stations published articles criticizing Lingwu State Farm for selling grain at negotiated prices, thus creating stronger reactions from the masses.

It was obvious that the improper handling of the case had had bad results, which must be corrected. On the principle of simultaneous rectification and correction of defects, I called a meeting for responsible comrades of the departments of agriculture and reclamation, price, grain, industry and commerce, newspapers, radio stations and so on, organizing them to discuss and reappraise the case of Lingwu State Farm having been given a penalty for selling surplus grain. Through serious discussion, they came to the conclusion that the selling of surplus grain at negotiated prices by the state farm in question after their fulfillment of the state purchasing quota was helpful not only to developing the commodity production in the rural areas, but also in dredging the circulation channels in the rural areas. They had actually avoided the loss of grain by selling their surplus grain under the condition that there had been a saturation in the storage capacity of the state. Besides, this had also been helpful to neighboring provinces and regions that were in need of rice. The improper handling of the Lingwu State Farm case must be corrected. After the meeting, the newspapers carried reports on the meeting and also an editorial. When the problem was solved, there was universal reaction of satisfaction among the masses.

It is now over 2 months since the whole thing was settled. To my mind, however, similar problems might crop up in the course of creating a new situation in the four modernizations. The fundamental guiding line in solving these problems should be: Emancipating the mind and facing realities, and the prerequisite to everything should be whether it is helpful to economic construction and the fulfillment of the general task and target of the four modernizations. In party rectification, it is imperative to implement the principle of simultaneous rectification and correction of defects, and of correction of defects prior to rectification, while doing a good job in every field of work.

IT IS IMPERATIVE TO PERSIST IN THE PARTY'S IDEOLOGY OF SEEKING TRUTH FROM FACTS. With the readjustment of the standards of production in the rural areas, the productive force in the rural areas has once again been liberated, and commodity production and commodity exchange are becoming active in the rural areas. The actual economic life has demonstrated that some specific stipulations in the documents issued in the past are out of place in the present situation, and they must be promptly revised. Otherwise, economic development will be impeded. And attention must be given to solving this problem during the simultaneous rectification and correction of defects in party rectification. We should not be tripped up by outdated doctrines or frames of reference, but should persist in the Marxist ideological line of seeking truth from facts, starting from the realities in everything, judging the hour and sizing up the situation, so as to make our understanding conform to the objective law, and strive for the initiatives in the correctly handling of new problems.

IT IS IMPERATIVE TO ACQUIRE THE SPIRIT OF BEING BOLD AT CARRYING OUT REFORMS, AND OF CONTINUOUSLY BLAZING NEW TRAILS. Under the guidance of the CPC Central Committee's economic principle on "opening up to the outside world, and enlivening the domestic economy," both the urban and rural economies have become vigorous, and some old rules and regulations will inevitably be replaced by new ones. On this question, leaders at all levels should be staunch trailblazers, and they should not be afraid of disorder. It is necessary to be meticulous in handling affairs; however, if steadiness is overemphasized, it will only slow the pace in economic development and fail to meet the requirements of fulfilling the general tasks and target of the party.

IN SIMULTANEOUS RECTIFICATION AND CORRECTION OF DEFECTS, IT IS NECESSARY TO GRASP WELL THE LINK OF UNIFYING IDEOLOGY IN HANDLING PRACTICAL PROBLEMS. The course of creating a new situation in the four modernizations is also a course of reforms and blazing new trails. For various reasons, people often have different understandings on certain new problems. In handling practical problems, it is necessary not only to make a clear distinction between right and wrong and to promptly make a decision, but also to do a good job in solving people's ideological problems. It is necessary to regard the course of handling a problem as the course of educating people in the general target, and task, so that people may unify their thinking on the right track. For instance: On the case of meting out a wrong penalty to Lingwu State Farm on the part of the price department of Lingwu County, we were not acting as "judges" but we invited the comrades concerned to air their views, guiding them to unify their understanding, and the problem was rationally and properly settled. By so doing, everyone has something to gain, while achieving ease of mind.

In short, we should affirm all policies and measures which are helpful to fulfilling the general task and target of the party, and to economic development; and promptly correct those which are not, so as to promote the development of all undertakings.

NINGXIA CPC HOLDS MEETING ON RECTIFICATION

HK231011 Yinchuan NINGXIA RIBAO in Chinese 8 May 84 pp 1, 3

[Report: "Regional CPC Committee Holds Meeting Attended by Party-Member Leading Cadres of Organs Directly Under It, Calling On Them to Earnestly Conduct Criticism and Self-Criticism to Ensure That Comparison and Examination Will Not Be Carried Out Perfunctorily"]

[Text] On the morning of 5 May, the regional CPC Committee held a meeting attended by party-member cadres at the level of deputy departmental chiefs and above from organs under it, which carry out party rectification at the first stage and in the first batch, and party-member responsible comrades from the organs which carry out party rectification in the second batch.

Li Xuezhi, secretary of the regional CPC Committee, presided over the meeting and spoke. Nie Jifeng, head of the liaison group sent by the Central Commission for Guiding Party Rectification, and Li Yunhe, deputy secretary of the regional CPC Committee, also attended and spoke at the meeting. Hao Tingzao, deputy secretary of the regional CPC Committee, delivered a mobilization speech on behalf of the regional CPC Committee on earnestly carrying out comparison and examination.

After reviewing party rectification carried out in organs directly under the regional CPC Committee at the preceding stage, Comrade Hao Tingzao said: Comparison and examination should not be carried out perfunctorily. This will play a decisive role in avoiding making the entire party rectification a sham, and in attaining the desired results. After the units which carry out party rectification in the first batch have entered the stage of comparison and examination, they should carry out their work strictly in accordance with the spirit of the Document No 7 issued by the Central Commission for Guiding Party Rectification. On the basis of continuing to do preparation work for comparison and examination for a certain period of time, they should make comparison and examination for a certain period of time, they should make comparison and examination with emphasis placed on the general objectives of party rectification. The general requirements are: Taking the party Constitution, the "guiding principles," and the four tasks of party rectification as our standards, we should examine main problems arising in ideology, work style, discipline, and organizations in light of the practical conditions of the entire region, various fronts, units, and individuals. We should conduct criticism and self-criticism, distinguish right from wrong, correct mistakes, sum up experiences, define the orientation of future progress, further adopt measures for party rectification, and solve the problems of being qualified party members and cadres.

When leading bodies at the regional level, leading party groups, and CPC Committees of various units make comparison and examination, they should pay attention to the following six issues: 1) Do they adopt a correct attitude toward the line, guiding principles and policies adopted since the 3d Plenary Session of the 11th CPC Central Committee, and the general asks and objectives defined by the 12th CPC National Congress? Do they overcome and resist the "leftist" and rightist erroneous trends, and uphold the four basic principles? Do they unwaveringly believe that the party's line, guiding principles and policies adopted since the 3d Plenary Session of the 11th CPC Central Committee are correct and Marxist, and conscientiously implement them? Do they sincerely support and have full confidence in the general tasks and objectives defined by the 12th CPC National Congress? 2) Is their guiding thought for vocational work in accord with the line, guiding principles, and policies of the central authorities? Is there anything which is not in accord with the line, guiding principles, and policies of the central authorities? Does what they have done meet the demand of creating a new situation in work? Does various work of the units concerned accord with and serve the objectives of struggle of the whole party? Does the guiding thought for vocational work of various units conform with the call that "Ningxia should bring about an upswing first" issued by Comrade Hu Yaobang? Do they have confidence in and are they eager to implement the call? Do they have the mentality of sticking to the old ways, and being content with things as they are? Do they have a definite strategic guiding thought and adopt specific measures in order to create a new situation in work? 3) Have they conscientiously implemented various policies of the party? With regard to the issue of implementing the policies, have they completely eliminated the "leftist" influence? Are there any problems which should be further solved? 4) Is there any act of abusing power to seek private gains? Is there any bureaucracy characterized by irresponsibility for the party and the people? Have they conscientiously solved problems exposed and found out at the preceding stage? 5) Have they correctly implemented democratic centralism, and is there still any paternalism, anarchism, liberalism, and departmentalism?

While doing ideological and political work, dealing blows at criminal activities, and enforcing the party discipline, is there any rightist weakness and laxness in their leadership? 6. Is there factionalism and sectarianism? Have they conscientiously grasped the work of weeding out the "people of three categories," and building the third echelon? During the party rectification, the main emphasis must be placed on solving the main problems of the new leading bodies. With regard to the problems of the old leading bodies, what we should mainly do is to sum up experiences and bear the lessons in mind.

When leading party groups in various units, members of the CPC committees, and individual party members make examination, they should pay attention to carrying out the work in accordance with the stipulations and demands on party members and party-member leading cadres contained in the CPC Central Committee's decision on party rectification. They should examine their problems in ideological and political line, and the guiding thought on vocational work. In the meantime, they should examine their problems concerning party spirit, work style, discipline, and other things.

When leading bodies and individuals make comparison and examination, they should proceed from the reality of their own circumstances, grasp the main problems, and sum up their main experience in light of their own practical ideological conditions. They should pay close attention to the practical problems that have arisen since the 3rd Plenary Session of the 11th CPC Central Committee. The emphasis must be placed on present events, and on problems concerning the ideological and political line. With regard to those who make serious mistakes during the "Great Cultural Revolution," and have not yet engaged in self-criticism of their own accord, or about whom the masses have a lot of complaints despite their self-criticism, they should conduct a serious self-criticism on their own initiative, so that they will learn from their mistakes. With regard to minor mistakes occurring in the "Great Cultural Revolution," the individuals concerned should sum up their experience and learn from their previous mistakes, but the organizations will no longer raise this issue.

He said: Comparison and examination should be made from top to bottom. On other words, leading bodies and leading cadres should do the work first. After that, ordinary party members will follow them. Leading bodies and leading cadres should first make their comparison and examination within the leading party groups and the CPC committees. The collectives should make comparison and examination first and individuals will follow them. On such a basis, various kinds of meetings can be held, including enlarged meetings of the leading party groups, and the CPC committees, meetings of party member cadres, party-member meetings, and enlarged meetings of leading party groups and CPC committees attended by representatives of the party members, in order to make comparison and examination, and heed criticisms and opinions of the masses. Generally speaking, party-member cadres at the level of departmental head and ordinary party members can make their comparison and examination in meetings of party branches. If a party branch is comparatively big with a greater number of party members, they are allowed to make comparison and examination at the meetings of party groups. But the number of participants should not be too small.

He stressed: A serious and conscientious criticism and self-criticism is a key to making comparison and examination well. We should grasp it earnestly. Criticism and self-criticism is our party's main weapon for exposing and dealing with the dark sides within the party, correcting mistakes committed by party members and party-member cadres, and improving their work style. We should take up this powerful weapon to truly do well in comparison and examination. To conduct criticism and self-criticism well, leaders at various levels, especially the number one and two men of the leading party groups and CPC committees, should, first of all, set an example in listening to other people's criticisms with an open mind, in boldly engaging in self-criticism of their own shortcomings and mistakes, and in criticizing the shortcomings and mistakes of other people.

The practice of suppressing criticism and making things tough for people who criticize is not allowed. In the meantime, while making criticism and self-criticism, we should pay attention to political problems and matters of principle. We should not regard insignificant matters as political problems and matters of principle. We are not allowed to elevate minor mistakes or shortcomings to the level of principles. In particular, we are not allowed to dispute over trifles and fuss about personal gains or losses at the expense of political problems and matters of principle. Apart from that, we should pay attention to proper methods for criticism and self-criticism. All party members should be strict in dissecting themselves ideologically, and be bold in carrying out a sincere, profound, and practical self-criticism of their own shortcomings and mistakes. They should neither make "insincere self-criticism" nor utter "words against their conscience." While criticizing others, they should pay attention to facts, convince people by force of argument, and combine the solemnness and incisiveness of the criticism with the scientific spirit in order to achieve the objective of clarity in ideology, correction of mistakes, unity among comrades, and common progress. To benefit the practice of criticism and self-criticism, we are not allowed to seize the mistakes of other people, affix political labels arbitrarily, wield big sticks, and put blacklist records on file (archives) with regard to ideological problems exposed during the party rectification. When party members have expressed their views, they are allowed to withdraw and correct them. They are also allowed to defend themselves and have reservations. With regard to the problems which have been clarified and solved, we should not bring up old scores again provided that no other new and important problems have been discovered. As long as those comrades who committed various mistakes have the desire and are willing to correct their mistakes, we should welcome them. When some comrades have not yet come round to certain problems, we should do more ideological work for them and avoid being too hasty. In addition, we should prevent the interference of various erroneous ideologies and actions. Criticism and self-criticism is a process of self-remoulding of party members, and also a serious ideological struggle within the party. Therefore, at this stage, we should pay special attention to strengthening the sense of organization and discipline. Nobody is allowed to take advantage of party rectification to incite factionalism, and make use of factionalism to make other people suffer, cover up facts, slander, or retaliate against other people.

He pointed out: We should eradicate factionalism, strengthen party spirit, and deepen the party rectification. Eradicating factionalism and strengthening party spirit is one of the tasks which should be accomplished during the party rectification, and a key issue which will ensure a healthy and profound development of party rectification work. "The CPC Central Committee's Decision on Party Rectification" points out: "Some party members and party-member cadres have not yet overcome the factionalism which occurred during the 10 years of internal disorder. They still use factionalism to replace party spirit, base everything on factional interests, push aside people who disagree with them, and set up cliques for selfish interests. All these have severely harmed the unity and unification of the party, and hampered the implementation of the line, guiding principles, and policies of the party." This state of affairs "should be thoroughly changed during the party rectification."

In accordance with this spirit, during the party rectification, we should take a clear-cut stand to resolutely oppose and eradicate factionalism, and strengthen party spirit in order to ensure smooth progress of party rectification. To eradicate factionalism, we should completely negate the "Great Cultural Revolution." We should understand that during the "Great Cultural Revolution," various factions carried out their activities under the guidance of the erroneous theories of "continuing the revolution." All factions did wrong things. There was no distinction between right and wrong. Without negating the "Great Cultural Revolution," it is impossible for us to free ourselves from the leftist influence. If we fail to fully affirm the party's line, guiding principles, and policies adopted since the 3d Plenary Session of the 11th CPC Central Committee, we will not be able to free ourselves from the theory of the "two whatevers," to thoroughly weed out the "people of three categories," to win over those comrades who committed mistakes during the "Great Cultural Revolution" and guide them to return to the Marxist line, and to strengthen the building of the third echelon.

In conclusion, Comrade Hao Tingzao said: At the stage of making comparison and examination, we should conscientiously implement the guiding principle of simultaneous rectification and correction on defects. Whether we can do well in simultaneous rectification and correction of defects lies in the leadership. Leading comrades of various units should set an example with their own conduct, engage in self-criticism on their own initiative if they committed mistakes, and correct them consciously. Once leaders set an example with their own conduct, the masses will trust and support them. In such a way, they will gain the initiative to lead the party rectification, and to act boldly to grasp, deal with, and criticize things and people who harm the party, and sabotage the interests of the party and people. During the party rectification, various units and departments should devote their efforts to dealing with their own unhealthy trends, and to handling those typical and important cases. In particular, the cases of those party-member cadres who continued to abuse their power to seek private gains and severely violated law and discipline after the start of party rectification should be severely handled. With regard to the problem of simultaneous rectification and correction of defects, at present, some leading comrades are still adopting a wait-and-see attitude. Some of them are afraid of offending other people and losing face. Some others worry about the possibility that they will "suffer if they carry out the reforms first." Courage is needed in order to carry out simultaneous rectification and correction of defects. To work for the party cause, we should not be afraid of offending people, of getting a scolding, of making self-criticism, and of losing face. If we have made mistakes and have shortcomings, we should be bold in admitting and correcting them. In this way, instead of losing face, we will enhance our prestige. We should inspire our spirit and establish an idea of "taking the initiative to carry out reforms as early as possible," rather than taking a wait-and-see attitude, shirking responsibility, and relying on leading authorities.

In his report, Comrade Hao Tingzao talked about the arrangements of party rectification work suitable for regional organs which carry out party rectification at the first stage and in the second batch. According to plan, the 72 regional units which carry out party rectification in the second batch will start their full-scale party rectification as 20 May.

Secretary of the regional CPC Committee Li Xuezhi said: To make comparison and examination, we should, first of all, solve the problem of unifying our thinking. We should unify our thinking and keep in step. Unifying our thinking means that we should unify our thinking on the basis of the line, guiding principles, and policies adopted since the 3d Plenary Session of the 11th CPC Central Committee, of the policy of the 12th CPC National Congress, and of the principle ensuring that party rectification will not be reduced to mere formality in particular.

The key and most important point is to keep fully in line with the CPC Central Committee ideologically and politically, and uphold the party ideological line. We should implement the principles of "promoting economic development with party rectification and assessing the results of party rectification with economic achievements," "simultaneous rectification and correction of defects," and "correcting defects before rectification," so that the masses will see with their own eyes the results of party rectification, and strengthen their confidence. We should restore the old traditions of the party, and correctly and actively carry out criticism and self-criticism.

Our focus of attention should be shifted to examining problems arising after the 3d Plenary Session of the 11th CPC Central Committee. While resolutely eliminating the "leftist" remnant influence, we should correct the "rightist" mistakes and completely negate the "Great Cultural Revolution." We should review things we did in the past, sum up thoroughly eliminate the "leftist" influence, "strengthen party spirit, oppose factionalism, and strengthen our unity in order to successfully accomplish the task of party rectification.

NINGXIA SECRETARY LI XUEZHI SEES TIBETAN DANCE

OW211317 Beijing XINHUA Domestic Service in Chinese 1913 GMT 18 May 84

[Excerpts] Yinchuan, 18 May (XINHUA) -- The full-length Tibetan fairy-tale dance-drama "Zhi Mei Geng Deng" presented by the Qinghai provincial nationality Song-and-dance ensemble has been warmly received in Yinchuan City, Ningxia.

Li Xuezhi, secretary of the Ningxia Hui Autonomous Regional CPC Committee, and He Boli, chairman of the Ningxia Regional People's Government, separately received all performers of the ensemble and watched their performance. The ensemble arrived in Yinchuan on 7 May, has given seven performances, and will leave Yinchuan for Hohhot on 19 May. (A XINHUA exclusive for QINGHAI RIBAO)

QINGHAI REDUCES NUMBER OF DOCUMENTS, MEETINGS

HK230321 Xining Qinghai Provincial Service in Mandarin 1100 GMT 21 May 84

[Excerpts] On 24 May, the party rectification office of the provincial CPC Committee transmitted the report of the general office of the provincial CPC Committee on the situation of the large number of documents and meetings in our province and on the views on resolving the situation. The report demands that leaders at all levels must reduce the number of documents and meetings, must really change their work style, and must speed up our province's socialist modernization.

In its report, the general office of the provincial CPC Committee cited a large number of instances to explain the serious problem of the large number of documents and meetings in our province. According to statistics compiled by 20 departments and committees at the provincial level, in 1983, 179 province-wide meetings were held with 17,053 participants; the unit which held the largest number of meetings spent 149 days on meetings, which accounted for 48 percent of the working days in the whole year. The large number of documents is a detriment to leadership organs.

Regarding how to solve the problems of the large number of documents and meetings, the general office of the provincial CPC Committee met and held forums with and sought views from responsible comrades of some departments. It held that it is necessary to do well in grasping the following six aspects of work:

1. It is necessary to regard the reduction of the number of documents and meetings as a starting point in rectifying leadership style in the course of this party rectification.
2. It is essential to vigorously advocate the work style of going deep into realities and of closely integrating with the masses.
3. It is imperative to seriously control the number and scale of meetings and to resolutely reform the method of holding meetings.
4. We must thoroughly improve our writing style, must reduce the number of documents as much as possible, and must increase the quality of documents.
5. We must establish temporary committees and leadership groups, with the participation of various departments at the provincial level, to conduct investigation.
6. We must further put the collective leadership system on a sound basis and must seriously implement the personal responsibility system among the leading cadres of the party and government.

XINJIANG DISCIPLINE WORK CONFERENCE ENDS

HK140835 Urumqi Xinjiang Regional Service in Mandarin 1300 GMT 11 May 84

[Excerpts] The 7-day regional discipline inspection work conference concluded this afternoon. The conference emphatically pointed out: In 1984, the prefectural CPC committees in the region should concentrate their efforts on carrying out party rectification work and realizing a change for the better in party style, and do a good job in doing discipline inspection work, so as to strive to fulfill the task of realizing an obvious change for the better in party style as stipulated by the Central Discipline Inspection Commission. It is necessary to pay attention to investigating and handling cases in which policy toward nationalities is violated or unity of nationalities is undermined, so as to steadily strengthen party unity and unity among nationalities. It is necessary to actively grasp and rectify the unhealthy trends of taking advantage of one's position to acquire private gains or being extremely irresponsible in one's work. The struggle of striking at serious economic crimes should be continuously grasped well. It is necessary to investigate and deal with problems in maintaining party style and party discipline by various party organizations. With regard to party organizations or leading members of the CPC committees who have seriously violated party discipline and failed to rectify their mistakes for a long period of time, or who are passive in upholding party style and party discipline, they should be restructured or disbanded in accordance with the stipulations of the party Constitution, without any indulgence practiced [as heard]. Responsibilities should also be affixed for those organizations and leading cadres who give protection to persons who have committed mistakes by transferring responsibility to the organization. It is necessary to protect discipline inspection cadres who dare to struggle against unhealthy practices, and guard against actions of reprisal under the pretext of normal transfer.

Qi Chengde, secretary of the regional Discipline Inspection Commission, made a summary speech at the meeting held this afternoon.

XINJIANG BORDER POSTS GIVEN NEW PATROL VEHICLES

OW212125 Beijing XINHUA Domestic Service in Chinese 0109 GMT 19 May 84

[By reporter Chen Xiangnan]

[Text] Urumqi, 19 May (XINHUA) -- A number of new-model patrol vehicles recently arrived for the border sentries and posts in the northern and southern mountain ranges of Tian Shan. Border defense guards who previously rode in camel-drawn carts and trucks are valiantly patrolling on the border defense line in the new vehicles. Many of the border sentries and posts in which units under the Urumqi Military Region are stationed are located in desolate and uninhabited snow-clad mountains or Gobi Desert with adverse weather and dangerous road conditions. By authority of the Central Military Commission, the PLA General Staff Department specially provided the new-model patrol vehicles for the border defense units. With a powerful cross-country mobility, the vehicle is equipped with air conditioning, stereo receiver and tape recorder, digital clock, dipmeter [qing jiao yi 0282 6037 0308] and warning devices for malfunctioning. It is dustproof, cold resistant and shockproof and can be started under low temperature.

XINHUA REPORTS ELECTION OF TAIWAN PRESIDENT

OW211349 Beijing XINHUA Domestic Service in Chinese 0925 GMT 21 May 84

[Text] Beijing, 21 May (XINHUA) -- According to the report by Taiwan CENTRAL NEWS AGENCY, Chiang Ching-kuo and Lee Teng-hui respectively took office as Taiwan's seventh "President" and "Vice President" on 20 May. In the same afternoon, Chiang Ching-kuo nominated Yu Kuo-hua as Taiwan's next "President of the Executive Yuan" to replace ailing Sun Yun-hsuan. Chiang Ching-kuo and Lee Teng-hui were "elected" Taiwan's seventh "President" and "Vice President" by the Taiwan "National Assembly" on 21 and 22 March respectively without any other "candidates."

Yu Kuo-hua, the Taiwan "President-designate of the Executive Yuan," of Fenghua County, Zhejiang, is 70 years of age. Yu Kuo-hua is scheduled to take office after the Taiwan "Legislative Yuan" "approves" his appointment on 25 May.

TAIWAN NPC DEPUTY ON EARLY REUNIFICATION

OW241115 Beijing in Mandarin to Taiwan 1500 GMT 23 May 84

[Text] In an interview with a station reporter on 23 May, Tian Fuda, vice chairman of the Taiwan Democratic Self-Government League who has been attending the NPC session in Beijing, said: The motherland must be reunified as early as possible. An earlier solution of the problem is better for both the people and the authorities on Taiwan.

He said: Take, for instance, the economic development. Taiwan indeed made some progress in its economic development in the past. But problems such as shortage of resources, insufficient funds, and limited market will crop up in the future. However, there are a vast land, abundant resources, and large market on the mainland. When Taiwan returns to the embrace of the motherland, it can make full use of the resources and market on the mainland and thus give a strong impetus to Taiwan's economy.

Tian Fuda added: It is unrealistic and unwise for some people in Taiwan to call for unifying China under the Three Principles of the people. The CPC's proposal for one China under two different systems is rather practical because it proceeds from the reality on both sides of the strait and conforms with the aspirations of the people on both sides of the strait.

Tian Fuda said: Differences in the system indeed exist between systems on both sides of the strait, but they should not obstruct the motherland's reunification. Since both sides agree that the motherland must be reunified, they should sit down to discuss and seek the most suitable way for achieving the reunification. The CPC has made known to the whole world its policies and stand regarding Taiwan's return to the motherland, which have been supported by all the compatriots and appreciated by the international public opinion. The Taiwan authorities should soberly assess the situation and show sincerity by holding discussion with the CPC in order to realize the cooperation between the Kuomintang and the Communist Party for the third time as early as possible.

CHEN PIXIAN MEETS HONG KONG, MACAO REPORTERS

OW240645 Beijing XINHUA Domestic Service in Chinese 1824 GMT 23 May 84

[By reporter Sun Xiaoming]

[Text] Beijing, 23 May (XINHUA) -- NPC Standing Committee Vice Chairmen Chen Pixian, Bainqen Erdini Qoigyai Gyaincain and Rong Yiren met reporters from Xianggang and Aomen in the Great Hall of the People this afternoon, expressing sympathy and solicitude to them for their diligent efforts in covering the Second Session of the Sixth NPC and the Session of the Sixth CPPCC National Committee.

When the more than 20 young reporters from Xianggang and Aomen entered the Shanghai Hall in the Great Hall of the People, they were cordially greeted by Chen Pixian, acting on behalf of Chairman Peng Zhen, as well as in his own capacity as secretary general of the Second Session of the Sixth NPC. He also inquired at length about their working and living conditions since arriving in Beijing. Chen Pixian said: "We sincerely welcome you here to gather the news you are after. This is the first time you have done so. There will be a second and third time. You are welcome to make frequent visits here." Upon hearing this, the reporters responded with warm applause to show their appreciation.

Chen Pixian said: Everyone here today is a Chinese. We have people from Guangdong, from Fujian and from other provinces. So I hope every one of us will act as a patriot, because only when we love our country will we be able to bring about the reunification of the motherland.

The NPC vice chairmen, meeting the Xianggang and Aomen reporters, all referred to the latter as their young friends, and praised them for their serious work attitude and high efficiency. Chen Pixian said: "Don't belittle your own work. As long as you do your work well, people everywhere will be influenced, whether it is those overseas, in Xianggang and Aomen, or in the inland. We hope you will energetically carry out your work, and give wide publicity to the spirit of patriotism through your reports and articles." He wished the reporters complete success.

The reporter of the AOMEN RIBAO [3421 7024 2480 1032], on behalf of all reporters from Xianggang and Aomen, expressed gratitude to the NPC, CPPCC National Committee, and other concerned units for their concern about the reporters' work and the help given them. He said: We are experiencing many things for the first time in our visit to Beijing as reporters from Xianggang and Aomen. This marks our first invitation to cover the NPC and CPPCC sessions, the first reception by CPPCC National Committee Chairman Deng Yingchao, and by several NPC Standing Committee Vice chairmen, the first visit to the Zhongnanhai... We are indeed very happy. He went on to say that the fact of getting invited to cover the NPC and CPPCC sessions is a manifestation of the open policy practiced by the motherland and of the solicitude of the motherland for us. We have deepened our understanding and knowledge of the motherland through the current visit. We will also make compatriots in Xianggang and Aomen have more understanding and knowledge of the motherland through doing our own work.

Present in the meeting were Wang Hanbin, secretary general of the NPC Standing Committee; Fei Yimin and Ma Wanqi, NPC deputies from Xianggang and Aomen.

Following the meeting, Chen Pixian, Bainqen Erdini Qoigyi Gyaincain and Rong Yiren posed for group pictures with the reporters. They also hosted a banquet for them.

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C H I N A
TAIWAN

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LEGISLATIVE YUAN CONFIRMS YU KUO-HWA AS PREMIER

OW251013 Taipei CNA in English 0959 GMT 25 May 84

[Text] Taipei, May 25 (XNA) -- The Legislative Yuan confirmed President Chiang Ching-kuo's nomination of Yu Kuo-hwa as the next premier in a meeting Friday. Yu received a total of 307 of the 330 votes cast, or 93 percent of Friday's secret balloting. There were 18 negative votes, three blank votes, and two others nullified. Thirty-four legislators were absent from the ballot-casting. The results were announced by speaker Nieh Wen-ya immediately after the ballots had been counted.

CHIANG SAYS COOPERATION TO BENEFIT U.S., TAIWAN

OW231109 Taipei CNA in English 1036 GMT 23 May 84

[Text] Taipei, May 23 (CNA) -- President Chiang Ching-kuo has stressed that close cooperation between the Republic of China and the United States served the vital interests of the two nations. The president also noted that the Republic of China and the United States have pursued the same goals of freedom, democracy and prosperity. President Chiang made the remarks in an interview with Jonathan Broder of the CHICAGO TRIBUNE in Taipei on May 22. A report on the interview was published by the paper on May 22.

During the interview, President Chiang also praised President Ronald Reagan as a man of principle. He said that nothing in President Reagan's recent trip to the Chinese mainland indicated that Reagan had backed away from his commitments to the Republic of China.

Following is the full text of President Chiang's interview with Broder as released by the Government Information Office:

Q. 1. What is Your Excellency's reaction to Mr. Reagan's visit to Peking? Do you feel that the U.S. consensus on Taiwan's future has been eroded?

A. 1. Nothing in President Reagan's trip indicates that he has backed away from his firm commitment to the Republic of China. He once again demonstrated that he is a man of principle, and we believed the American people fully support his principles. For many years the Republic of China and the United States have pursued the same goals of freedom, democracy, and prosperity. The close cooperation between our two countries not only benefits us, but also serves the vital interest of the United States.

Q. 2. Does Mr. Reagan's visit legitimize the "People's Republic" and undercut Taiwan's claim to legitimacy?

A. 2. We believe only the Chinese people as whole can decide which government is the legitimate government of China. The Government of the Republic of China was formed pursuant to the 1947 Constitution which was drafted and adopted by the elected representatives of all the Chinese people. This is a fact nobody can alter. Besides, we can never accept the premise that a despotic regime which crushes human rights can ever be truly legitimate. Therefore, to consider the Chinese Communists as a legitimate regime would negate the principle that the people are sovereign and render their aspirations meaningless.

Q. 3. What does Your Excellency remember about your youth in your home village of Feng Hua on the mainland, and do you ever think about returning there someday?

A. 3. I remember very clearly the beautiful landscape of Feng Hua. It was a place where people led free and happy lives. However, under Chinese Communist rule, all our compatriots on the Chinese mainland have been robbed of their freedom and happiness. The Government and people of the Republic of China on Taiwan all have a strong sense of responsibility to make the Chinese mainland as free and prosperous as Taiwan. Moreover, the freedom and prosperity of Taiwan can never be truly secure unless the mainland is made free and democratic. Therefore, it is not a question of whether I personally want to return to my home village or not; rather, it is a question of how to restore freedom to our mainland compatriots.

Q. 4. When will you lift martial law? Why is it still kept in force? Can you envision a Taiwan without martial law, where a politically pluralistic society would develop?

A. 4. In reality, pluralistic society already exists on Taiwan. However, in view of the twin threats of military invasion and subversion from the Chinese Communists which we constantly face, certain preventive measures or Chieh-yen, which we have taken according to the Constitution and relevant laws, are necessary to safeguard our national security and social order. These measures have in no way restrained the normal free activities and welfare of the people, nor have they disrupted peace and welfare of the people, nor have they disrupted peace and prosperity in our society. On the contrary, these measures have safeguarded our peace and prosperity. They are actually one of the main reasons behind the rapid social, economic and political progress in the last thirty years which has led to the development of a pluralistic society on Taiwan. Therefore, the preventive measures which we have taken are a far cry from the absolute military control under martial law as envisioned by Westerners. In the past three decades the Chinese Communists have never renounced the use of force against us; nor have they ever ceased their infiltration and subversive activities. Therefore, to safeguard national security and the people's well-being, it is still necessary to maintain these preventive measures.

Q. 5. What does Hong Kong's reversion to Chinese sovereignty in 1997 mean for Taiwan?

A. 5. Hong Kong's reversion to assuring sovereignty is not in question. The real problem lies in the free and prosperous future of the more than five million Hong Kong residents, who are faced with the fate of being swallowed up by the Chinese Communists. As a matter of fact, the Hong Kong problem is only a part of the much larger China problem. Only when China is reunified under a free and democratic system can the Hong Kong problem be genuinely solved. Any promise the Chinese Communists make to maintain the prosperity of Hong Kong should be considered for what it really is: A propaganda maneuver aimed at pulling the wool over people's eyes. We are seriously concerned about the welfare of Hong Kong residents and are closely watching the developments of the Hong Kong problem.

Q. 6. How does Taiwan intend to maintain credible defense in the future in light of Washington's August 17, 1982 agreement to gradually reduce arms sales to Taiwan?

A. 6. For safeguarding the peace and security of the Asian-Pacific region and containing communist expansion, we believe the United States will continue to provide us with sufficient defensive weapons. This serves the common interests of the United States, the Republic of China on Taiwan, and all free nations in this region. On the other hand, the Republic of China on Taiwan knows well the importance of self-reliance, and we believe that only if we make an effort to help ourselves will others be willing to help us. Therefore, we are endeavoring with all our strength to develop our own defense industries.

TAIWAN LEGISLATOR ON PROCUREMENT OF T-34C AIRCRAFT

OW200307 Taipei LIEN HO PAO in Chinese 15 May 84 p 3

[Excerpts] The government plans to procure 44 T-34C basic training aircraft from the United States. Legislator Chien Yu-hsin submitted a written interpellation, asking the Executive Yuan to keep in mind the policy of "establishing an independent system for national defense" when it procures military materiel from foreign countries.

Legislator Chien pointed out: A news report revealed that the Ministry of National Defense would soon procure 44 T-34C basic training aircraft manufactured by the U.S. Beechcraft Aircraft Company with the total amount reaching several billion yuan. This aircraft is similar to the Chunghsing aircraft produced in Taiwan -- two-seat turbine-powered propeller-type training aircraft. However, the Chunghsing is slightly larger than the Beechcraft T-34C. Its engine power is triple that of the T-34C aircraft, while it also climbs at a rate more than triple that of the Beechcraft trainer. In addition, it only needs two-thirds of the distance needed for a takeoff by the U.S.-manufactured aircraft. Apparently the Chunghsing aircraft is superior than the T-34C in many aspects.

He said: The huge amount of funds for national defense come from the people. These funds also represent the people's great support as well as their expectation. It is hoped that government policymakers would understand the will of the people and set up an independent system for national defense at an earlier date so as to refrain from relying on foreign supplies for everything and ensure the security of the nation. We must strengthen the management of our aircraft industry and treat it as an enterprise on the basis of our present foundation in our nation. At the same time, we must pay attention to building various satellite factories for the aircraft industry in order to achieve the goal of making our nation strong and benefiting the people.

TAIWAN, VATICAN NOT BREAKING DIPLOMATIC TIES

BK241126 Hong Kong AFP in English 0956 GMT 24 May 84

[Text] Taipei, May 24 (AFP) -- The Vatican has dispelled rumours that it would break off diplomatic relations Taiwan, the government said today. The nationalist ambassador to the Vatican, Chou Shu-kai, had met with the Holy See's chief diplomat, Archbishop Eduardo Martinez Somalo, who confirmed that the Vatican would maintain its diplomatic ties with Taipei, a statement said.

Newspaper reports from Rome that the Vatican was seeking to establish ties with Beijing were "erroneous speculation," it said. The statement said that relations between the Vatican and Beijing, which has an independent Catholic Church, appeared to be poor. A report from Beijing quoted Chinese Prime Minister Zhao Ziyang as saying yesterday that it was not yet time for China to improve relations with the Vatican, which were severed in 1957. Speaking at a news conference prior to a six-nation tour of Western Europe, including Italy, Mr Zhao said China objected to the Vatican's diplomatic relations with Taiwan. The Vatican has no Papal Nuncio in Taipei and is represented at charge d'affaires level.

DENG XIAOPING CITED ON PLA TROOPS IN HONG KONG

Huang Hua, Geng Biao Words 'Rubbish'

HK250508 Hong Kong Commercial Radio in Cantonese 0400 GMT 25 May 84

[Text] The top leader of China, Deng Xiaoping, said to Hong Kong reporters this morning before he met the NPC deputies and CPPCC representatives from Hong Kong: After China recovers its sovereignty over Hong Kong, it will send troops to be stationed in Hong Kong, because Hong Kong is China's territory. He said: The recent allegation that China will not send troops to Hong Kong was nothing but a rumor. The following is a report by reporter He Chi-chiang from Beijing:

[Begin He recording] This morning, Chinese leader Deng Xiaoping met the NPC deputies and CPPCC representatives from Hong Kong at the Great Hall of the People. Before the meeting, Deng Xiaoping gave a speech to reporters. He said: Only his and Premier Zhao Ziyang's statements on Hong Kong are official. Besides them, the genuinely specific organs speaking for China on Hong Kong are Ji Pengfei, director of the office of Hong Kong and Macao Affairs, and the minister and spokesman of the Ministry of Foreign Affairs. None of the remarks from other sources are valid or official. Deng Xiaoping said: He wants to refute the rumor. He said: Huang Hua's and Geng Biao's recent remarks were rubbish. Their remarks on the question of whether China would send troops to be stationed in Hong Kong did not express the view of the CPC Central Committee. Deng Xiaoping said: Troops must be stationed at Hong Kong. Since Hong Kong is China's territory, why can't we station our troops there? [end recording]

[Begin Deng Xiaoping recording in Mandarin] Finally, I want to refute a rumor. Both Huang Hua's and Geng Biao's words were rubbish [hu shuo ba dao]. What they said on the stationing of troops in Hong Kong was not the view of the CPC Central Committee. We will station our troops in Hong Kong [Xianggang yao zhujundi]. Why should we not station our troops there, since it is Chinese territory? British Foreign Secretary Howe said in his talk with me that of course he hopes China will not station troops in Hong Kong. Another fact he admitted was that since the Chinese Government is recovering sovereignty over Hong Kong, it has the right to station troops there. [end recording]

[Begin He Chi-chiang recording] He said that when the British foreign secretary met him, the secretary said that of course, Britain hoped that China would not station its troops in Hong Kong and would use other ways. However, even the secretary admitted that when the Chinese Government recovered its sovereignty, it would have the right to station its troops in Hong Kong. This is clear and definite. Deng said: Can Hong Kong be regarded as China's territory if China does not have this right? [end recording]

Stock Market Reacts

HK250526 Hong Kong Domestic Service in English 0500 GMT 25 May 84

[Text] The Chinese leader, Mr Deng Xiaoping, has said that Chinese troops will be stationed in Hong Kong after 1997. Mr Deng, who was speaking to Hong Kong journalists in Beijing, said, what is the point of having sovereignty over Hong Kong if we cannot send troops there. Mr Deng described as nonsense recent statements by Chinese officials who said that units of the People's Liberation Army would not necessarily be stationed in Hong Kong after 1997.

He said: The only people qualified to speak on behalf of the Chinese Government on this issue were himself, Premier Zhao Ziyang, and the head of the Hong Kong and Macao Affairs Office, Mr Ji Pengfei, and the Foreign Ministry spokesman. Mr Deng said he had informed the British foreign secretary, Sir Geoffrey Howe, of the decision during their talks at Easter. He said Sir Geoffrey regretted the move but agreed that China had the right to send troops after regaining sovereignty.

After Mr Deng's announcement, a Chinese official told the Hong Kong journalists that it was planned to send between 3,000 and 5,000 Chinese troops to Hong Kong. He noted that this was fewer than the number of British troops stationed in the territory at present. The official said the Chinese soldiers' prime concern would be the maintenance of internal security.

The stock market reacted negatively to Mr Deng's statement. Share prices had risen in early trading, and at 1100 the Hang Seng Index stood 10 points up on the previous close. However, a wave of selling hit the market shortly after the announcement, sending prices into decline. The index finally finished the morning just over 20 points down at 902.38.

OFFICIALS CITED ON HONG KONG TRANSITION POLICY

Xu Jiatun on Future System

HK250140 Hong Kong HONG KONG STANDARD in English 25 May 84 p 3

[Text] The Chinese Government will not interfere in Hong Kong's affairs during the 13-year transition period. This was told to a group of Hong Kong reporters in Beijing yesterday by the chief of the XINHUA NEWS AGENCY'S Hong Kong branch, Mr Xu Jiatun. Mr Xu said China would neither interfere nor play a consultative role in Hong Kong business in the years before 1997.

"It is still the Hong Kong Government's responsibility to manage local affairs during the transition period," he said. He stressed that China would only play a supporting and coordinating role to the work of the Hong Kong Government so as to maintain stability and prosperity in the colony during the transition period. "That is, China will support those acts which contribute to the colony's stability and prosperity but will criticise if the Hong Kong Government does anything wrong," he added.

Mr Xu said that there was a good chance of reaching a Sino-British agreement on Hong Kong's future before September. "I know Hong Kong people are hoping for an early settlement," he said. He said China would consider investing in Hong Kong if the local government proposed it. He said that Hong Kong was in a very strong geographical and economic position and would further develop in the future. It was very unlikely that Hong Kong's position would be replaced by either Singapore or Malaysia, he said.

Mr Xu reiterated that the future capitalistic system practised in Hong Kong could coexist with the socialist one practised in China. He said the systems now being practised by China contained a wide range of elements. There are systems like the national enterprises, collective enterprises, individual and national capitalists. "Why can't we practise capitalism in the future capitalist Hong Kong" he asked.

A major doubt in China's decision to recover Hong Kong after 1997 is her plan to allow capitalism to continue in Hong Kong. Local people have little faith in the plan to have socialism and capitalism at the same time, as it is something that has never been tested. He said allowing two systems to coexist in a country was not a sign of revisionism, but a further development of Marxism-Leninism.

Mr Xu said both the capitalist and the socialist camps in the world were watching the developments in Hong Kong closely. "If the 'one country two systems' theory proves to be successful in the unification of Hong Kong and Taiwan, it will be a new direction for the development of socialism," he said. Mr Xu also gave an assurance that an extreme leftist regime was very unlikely to return to power in China. He said the policies being practised by the present government were widely accepted by its people. "It is not easy for the situation to change," he added.

Meanwhile, Mr Xu said China would welcome a UMELCO ((Unofficial Members of the Executive and Legislative Councils) delegation if they wished to go to reflect their views to the Beijing leaders. And XINHUA NEWS AGENCY would arrange their visit, he said.

'Country With 2 Systems'

HK250818 Hong Kong WEN WEI PO in Chinese 25 May 84 p 1

[Report by correspondent Cheng Hsiang: "Xu Jiatun on 'One Country, Two Systems'"]

[Text] Beijing, 24 May -- Today, Xu Jiatun, head of the Hong Kong branch of the XINHUA NEWS AGENCY, hosted a banquet to entertain the reporters from Hong Kong and Macao who have come to Beijing to report on the NPC and CPPCC sessions. At the banquet, at the request of the reporters, Xu explained the tentative idea of "a country with two systems" put forward by the central authorities and he told Hong Kong people not to worry that this policy might change. Lastly, he said that Hong Kong had a bright future. What follows is a summary of what he said (based on what the correspondent remembers).

A Reference for Split Countries

Xu Jiatun said, the idea of one country with two systems is neither a humbug nor an expedient measure but an idea carefully put forward by the Chinese leaders for the purpose of probing into the ways of peacefully unifying the motherland. China's practice will arouse the concern of the people because if it is successful, it will become a useful reference for the countries in the world which are in a state of disunity.

It Benefits the Mainland To Preserve Hong Kong

In China, there are already so many economic components: individual economy, collective economy, state-owned economy, and state capitalism. Why can it not have some capitalist economy? Some people are afraid that Hong Kong's tiny capitalist economy, when combined with the gigantic socialist economy will be devoured. I think that although Hong Kong is more prosperous than the mainland, if Hong Kong's wealth was equally shared on the mainland, what significance would each share have? Could the people on the mainland immediately become rich after the mainland devours Hong Kong's wealth? Of course they cannot. If they cannot become rich immediately, why not let Hong Kong maintain its more prosperous economy. It may in turn give some help to the mainland.

Favorable for Unification and the Four Modernizations

People worry that the CPC changes its policies frequently. They say, at present, it is a good idea to have two systems in a country. However, if the leftist ideas prevail again, its policies would be repudiated. Of course, we cannot provide a definite guarantee because we cannot guarantee how things in the world develop. To ask for definite guarantee is not to base ourselves on reality. However, I can tell you, it is highly unlikely that the leftist ideas will ever prevail again because, first, the policies adopted by the central authorities at present have won popular support and struck roots in the hearts of the people. The two systems of the country are favorable for the unification of the motherland and the four modernizations. Thus, they are supported by the people. Policies supported by people will not be changed easily. Even if you want to change it, the people will not agree.

Rectify the Party in the Hope That the Policies May Become Consistent

Second, the CPC is carrying out party rectification for the three purposes of: First, ensuring that each party member will act highly, not generally, in unison with the Central Committee, second, eliminating the people of three categories and thoroughly expelling [qing chu -- 3237 7110] the surviving supporters of the Cultural Revolution, and third, making the cadres younger on average, more professionally competent, and more revolutionary in order to make the present principles and policies of the Central Committee continue to be consistent even after more than a dozen years later. With this party rectification, the present principles and policies of the Central Committee, including those concerning Hong Kong, will be more satisfactorily implemented.

From Now On, It Is Necessary To Do Things in Accordance With the Legal System

Third, we have established a legal system and acquired the idea of rule by law. In the past, the CPC did things in accordance with the policies only. Now, this is impossible. It is necessary to do things in accordance with the legal system. The CPC is to form a new concept, that is, to conduct activities within the limits permitted by the Constitution and without overstepping the law. The gradual perfection of the legal system ensures that things stipulated by the Constitution will not be changed at will.

Xu Jiataun said, although no one can provide a definite guarantee for 13 years in the future, however, with these three things, it is very unlikely that the changes that the Hong Kong people worry about will take place.

He said, Hong Kong people also dread the adherence to four things. One of the four things to be adhered to is the leadership of the CPC. Is it not a policy of the CPC to "have two systems in a country?" What is wrong with adherence to the leadership of the CPC. Another thing to be adhered to is socialism. One of the characteristics of Chinese-style socialism is that it permits the simultaneous existence of many economic components. To practice some capitalism in a small corner of China is in keeping with Chinese-style socialism.

Hong Kong Will Have an Even Brighter Future

After reviewing the economic development of Hong Kong over the past 20 years, Xu Jiataun pointed out, Hong Kong will have a bright future. With the mainland at its back, the supply of all the resources necessary for the economic development of Hong Kong will be ensured. In addition, there will be a market with a population of 1 billion. This favorable condition is possessed by no other region in Asia. It is difficult for other countries or regions in the Southeast Asia to succeed to Hong Kong's position.

'Administrative Zone' Suggested

HK250901 Hong Kong TA KUNG PAO in Chinese 25 May 84 p 2

["Political Talk" column by Shih Chun-yu: "Concentrated Reply on the Hong Kong Issue"]

[Text] Hong Kong and Macao Reporters Raise Extensive Questions

Yesterday, Xu Jiataun, Ji Pengfei, and Yao Yilin separately discussed in detail with Hong Kong and Macao reporters in Beijing the Hong Kong issue. The Hong Kong and Macao reporters put forward extensive questions, including Hong Kong after 1997 as viewed from the CPC's principle of "upholding the four principles," the feasibility and influence of "one state, two systems," China's policies during the transition period, Hong Kong's future relations with international organizations, democracy and freedom, and other questions. We may say that they concentrated on all the questions about Hong Kong which have arisen in the past 2 years or more.

All these questions are questions of fundamental importance which newspapers and people in various circles in Hong Kong have been deeply concerned about since the time around British Prime Minister Mrs Thatcher's visit to China, and they are also what the people of Hong Kong worry about.

Doubts and Worries Decrease and Confidence Increases With Each Passing Day

The central authorities have made explicit announcements on many occasions on future policies for Hong Kong and authorities concerned in Beijing have repeatedly given detailed explanations, patiently listened to the views of people from various circles in Hong Kong who have gone to Beijing, and consulted with them.

As a result, many doubts and worries mentioned above are gradually being resolved. The worries of compatriots in Hong Kong have decreased markedly. At the same time, more and more people hold that it is feasible for Hong Kong to become a special administrative zone, in which capitalism will remain unchanged for 50 years and in which the people of Hong Kong will enjoy a high degree of autonomy. This was reflected in the speeches of CPPCC members and NPC deputies from Hong Kong and Macao at the two sessions held in Beijing. This was so more and more people from all walks of life in Hong Kong have a correct view on Beijing's policies, many people in Hong Kong have put forward different views regarding the recent activities in Britain of nine Unofficial Members of the Executive and Legislative Councils, pointed out what was inappropriate, and even made criticism.

Both China and Britain Want to Maintain Hong Kong's Prosperity

The focal point that has convinced more and more people in Hong Kong of Beijing's policies and guarantees toward Hong Kong is that the people in Hong Kong believe that both the Chinese and British Governments are willing to maintain Hong Kong's prosperity and stability. Beijing has guaranteed that it will not interfere in Hong Kong's affairs in the 13 years before 1997 and that the capitalist system in Hong Kong will remain unchanged for 50 years after 1997. Thirteen years and 50 years add up to 63, or the greater part of a century. Judging from the rapid development of science and technology today, it is indeed difficult to imagine changes which will take place in China and in the world as a whole. If no world war breaks out, the standard of living in China's mainland by that time certainly will not be second to Hong Kong. Nobody will deny this.

Let us look at a simple and plain example. Shenzhen and Zhuhai have been special economic zones for only 5 years and the standards of clothing, food, and housing of the people there are already not much lower than those of the ordinary people in Hong Kong.

The majority of people in Hong Kong agree that the central authorities today sincerely want to maintain the economic prosperity of Hong Kong and to use Hong Kong to promote the economy of the special economic zones, and then of the interior, with the purpose of enlivening China's economy. This means that China attaches great importance to the theory of "one state, two systems." Judging from the achievements of the special economic zones, it can be believed that "two systems within one country" conforms with China's realities. Today, many economists in many other countries of the world are also following this pioneering course of action taken by China.

Replies to Questions, Quiet Doubts, and Worries

At the current CPPCC and NPC sessions, Zhao Ziyang made more clear and more concrete expositions on policies toward Hong Kong. CPPCC members and NPC deputies also held thorough discussions on the important questions of Hong Kong's future, China's opening to the outside world, and urban reform. The reporters of 20 Hong Kong and Macao newspapers for the first time have reported in quick succession the Hong Kong issue. We believe that the replies given by Xu Jiatun and Yao Yilin yesterday are worthy of the consideration of the people of Hong Kong and will further quiet their doubts and worries.

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